policy REVIEW

Fall 1985 Number 34 Four Dollars

The Kamikaze Economics Of Protectionism
Pete du Pont

OCT 30 1985
PS

What Black Conservatives Think Of Reagan
A Symposium

Paul Volcker's Misguided Genius
David Fand

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Caspar Weinberger

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Dinesh D'Souza

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Let's listen to the voices of reason

Several weeks ago we explained why we believe that free trade—not import quotas or tariffs—will do the most for America's long-term economic welfare. We were arguing against any need for new trade barriers directed against imported petroleum products, but the logic applies equally to all manufactured goods.

Apparently we're not the only ones who favor free trade, as these examples of editorial opinion from around the country show:

The New York Times, on "protection" against gasoline imports: "...gasoline imports pose no threat to American security. The proposed protection for domestic refiners would cost consumers billions and only slow the much-needed rationalization of the industry."

The Journal of Commerce, also on gasoline imports: "While quotas have been known to help U.S. industries in the past, such benefits have almost always been at the consumer's expense....There is reason to believe that gasoline quotas would have a similar effect."

The **Los Angeles Times**: "Protectionism is a formula that only postpones the industrial adjustments essential to survival in a competitive world market....America invites declining economic health when it retreats from world competition behind trade barriers."

Newsday: "...protectionism is ultimately bad policy, pushing up consumer prices, rewarding less efficient producers and inviting countermeasures from abroad."

The **San Francisco Chronicle**: "The Western Nations, including the United States and Japan, should move to create more free trade, not less. New tariffs, imposed in a national panic, are not the way to go, particularly among friendly nations whose economies, like their politics, are closely tied."

Economist Robert J. Samuelson, in a column in **American Banker**: "...protection is often a 'negative sum game': Everyone loses; total trade declines, or restrictions raise prices without providing genuine protection."

The **Chicago Tribune**, on the recently expired voluntary quotas for Japanese cars: "Americans, besides having their choices restricted, have had to pay higher prices for new and used cars than they would have otherwise. Some autoworkers' jobs have been saved, but at an estimated cost per job of $160,000 a year. The chief beneficiaries are the big Japanese automakers, whose profit per car has risen enough to more than cancel out the lost volume."

America does have trade problems. But they largely stem from the strength of the U.S. dollar, which makes American products more costly overseas. It's tempting to look for a quick fix, but protectionism fixes nothing. It only protects the few at the expense of the many...to the detriment of all.

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LETTERS

Steven Miller, Robert C. Tucker, Richard Nixon, Harvey Mansfield, Jr., Edward Teller, Penn Kemble, John Cadwalader, Michael Waller, Terry Teachout, Alonzo Hamby, Harry Jaffa, Charles Chandler

Kennan the Destroyer

Dear Sir:

Paul Hollander was a little harsh in his judgment of George Kennan ("The Two Faces of George Kennan: From Containment to 'Understanding,'" Summer 1985). He is not wrong in his characterization of Mr. Kennan's views (although he does have to strain a bit here and there to provide an unattractive portrayal of them), for the themes he highlights are evident in Mr. Kennan's writings. But I do believe he provides an extremely severe and sometimes debatable interpretation of Mr. Kennan's thought. By focusing the spotlight on some of the less compelling aspects of Mr. Kennan's work, outside the framework of what is a fairly complicated world view, Mr. Hollander overstates the contrast between the early Kennan and the late Kennan, and exaggerates his critique of Mr. Kennan's recent positions.

George Kennan, after all, witnessed first hand some of the most brutal periods in Soviet history, and has penned some of the most vivid, eloquent, and credible accounts and interpretations of those events. Surely he does not need to be tutored, by Mr. Hollander or anybody else, about the darknesses that have attended Soviet power. To argue otherwise, or to twist passages from recent Kennan writings so as to imply sympathy for Soviet oppression, is to ignore a considerable portion of Mr. Kennan's life's work. Mr. Kennan's recent work must be understood in the light of what he has previously written, for apart from complaints that his notion of containment was misunderstood, I don't think he has repudiated those earlier perspectives. *The Decline of the West* and *Nuclear Delusions,* upon which Mr. Hollander depends heavily, represent only a portion of his writings and do not fully capture or convey Mr. Kennan's thought.

Further, I do not agree with Mr. Hollander's explanation for changes in Mr. Kennan's views. Mr. Hollander argues that Mr. Kennan's attitudes toward foreign policy were altered by his growing disgust with the degradation of Western society. That Kennan is appalled by much of what he sees in American culture is certainly true, but I think that has been a consistent element in his thought from the late 1940s onward. I believe that what explains the changes in emphasis in Mr. Kennan's work is his consistent (if iconoclastic) instinct to spit into the wind, to confront head-on whatever overly simple conventional wisdom is dominating American policy toward the U.S.S.R.

When, from the late 1930s to the late 1940s, official Washington seemed blind to the harsh realities of Soviet power, Mr. Kennan was at the forefront of the effort to make Washington aware of the bad news to be found in Moscow. In more recent years, when prevailing winds have been blowing rather strongly rightward, Mr. Kennan again has leaned in the other direction, again seeking to counter what he sees as the misleading excesses of the dominant view of Soviet-American relations. According to this interpretation, anyway, there is a consistency of sorts to Mr. Kennan's behavior over the years, even if the content of his message has altered with the times.

Steven Miller
Center for International Studies
Massachusetts Institute of Technology
Cambridge, MA

Dear Sir:

George Kennan does not have two faces. He does, however, lead two lives, one as a distinguished diplomatic historian and the other as a leader. They are linked in that his historical scholarship often deals with political leaders and his activity as a leader draws on historical knowledge as well as insight into present realities.

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Mr. Hollander's subtitle, "From Containment to 'Understanding,'" shows confusion. All Mr. Kennan's leadership efforts have begun in understanding and its communication, as his 1947 "Mr. X" article did in diagnosing (i.e., understanding, interpreting) the problem situation caused for the West by the Stalin regime's expansionism: containment was his policy prescription.

In his post-governmental life as a non-constituted leader, Mr. Kennan has been influential in communicating an understanding of the change in Russia resulting from Stalin's death, and of the increasingly dangerous worldwide problem situation in which the superpowers' competitive policies and arms buildups raise the risk of nuclear war while ecological disaster looms in the distance. When he prescribes (to them both) efforts toward accommodation, he does so out of acute awareness of these dangers along with understanding that contemporary Russia, although a repressive police state (and the recent Kennan doesn't let his readers forget that) is not the Orwellian *1984* Russia that actually existed in 1948 when Big Brother Stalin was alive and in tyrannical power, terrorizing his own and satellite countries and waging cold war against others.

Mr. Kennan sees that while the post-Stalin Soviet rulers invoke a revolutionary ideology on occasion, they are leaders of a conservative great power that seeks to preserve a very authoritarian status quo at home and in its imperial domain, while pursuing activistic policies in other parts of the world, especially nearby parts. These policies led to its calamitous occupation of Afghanistan in 1979.

Mr. Hollander writes: "But the essential nature of the Soviet regime has not changed; indeed in some ways Stalinism has been institutionalized." There's the crucial issue. That Stalinism has been institutionalized in the structure and many workings of the Soviet system and hence lives on—so far—as a legacy, is true. But since the regime is not driven by the malignant personality of an autocratic Stalin to wage cold war in perpetuity, containment is not the only means of dealing with it. Mr. Hollander fails to understand this fundamental fact. This failure, along with his limited grasp of the nature of the world's growing predicament, vitiates his critique of George Kennan's latter-day leadership activity.

Robert C. Tucker
IBM Professor of International Studies Emeritus
Princeton University
Princeton, NJ

Dear Sir:

Those of us who agree with Paul Hollander that George Kennan is guilty of gross folly in his recent advice on how to deal with the Soviet Union, must face two difficulties that cannot easily be dismissed. First, Mr. Kennan is a preeminent scholar and an experienced diplomat who cannot be thought ignorant of the Soviet Union or of the ways of the world. Second, Mr. Kennan is no wishy-washy liberal, and he criticizes his own country like a conservative for giving in to the New Left and for failing to uphold traditional moral standards.

Perhaps it is worth noticing that the "two faces" of George Kennan, containment and "understanding" or accommodation of the Soviet Union, are both "cool" responses to modes of American moralism in foreign affairs. Containment opposes the rosy view of the Soviet Union, and accommodation opposes the angry view. In his "two faces," Mr. Kennan, it might be said, turned from disgust with his country's naive internationalism to disgust with its obtuse self-righteousness. In the latter phase, he has the judgment to see that the New Left is also self-righteous, and when he attacks our crime and pornography, he lets us appreciate the truth that moralism often forgets morality.

How far American foreign policy has been guilty of moralism I would not try to say. But I am sure that one of our best protections against the folly of moralism has always been the restraining influence of such men as George Kennan. How dismaying, then, that the actual George Kennan should have revealed his own self-punishing moralism in the recent advice he has given to his country. To say "we have nothing to teach the world" shows an almost unbelievable lack of proportion in a world whose principal teacher is Karl Marx and whose worst regimes are ruled by Marx's dirty, nasty, ugly recruits.

Harvey C. Mansfield, Jr.
Professor of Government
Harvard University
Cambridge, MA

Dear Sir:

Paul Hollander shows convincingly how Mr. Kennan's thinking has changed—for the worse—over the years. Kennan the hawk has indeed become a notorious dove, as Mr. Hollander makes clear, but there is reason to doubt Mr. Kennan's original understanding of the threat posed to the Free World by the Soviet Union.

For not only does Mr. Kennan never reveal, in his early or later writings, an understanding of the nature and methods of Communism itself, and not only does he regard, and has long regarded, the Soviet Union as merely one nationalist government among others, but he has also insisted that he never intended the principle of containment—it is not, he claims, a doctrine—to be military in scope. In his *Memoirs—1925-1950,* published in 1967, Mr. Kennan said that perhaps the most serious omission of his famous *Foreign Affairs* "Mr. X" article was the "failure to make clear that what I was talking about . . . was not the containment by military means of a military threat but the political containment of a political threat." Mr. Kennan added that his much-quoted reference to "the adroit and vigilant application of counterforce at a series of constantly shifting geographical and political points"—a summation of containment doctrine that Mr. Hollander quotes at the beginning of his article—was "at best ambiguous."

That, needless to say, does not seem to square with the blunt language of the article and suggests an idealistic divorce of political power from the necessary military corollary of that power, without which it can-

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not be legitimized in the arena of a dangerous world. It may be this idealism that led to Mr. Kennan's habit of appeasement.

Notwithstanding the rhetoric of the Mr. X article, Mr. Kennan never really understood Communism, or the threat it presents to the West. But that does not excuse his attacks on our own country; rather, for a supposed expert it is all the more damning.

Kenneth Zaretzke
Arlington, VA

Dear Sir:

Paul Hollander's critique of George Kennan's despair over the "decline of the West" was thorough and informed.

As Mr. Hollander's criticism suggests, the West need not anguish over its fate. Indeed, we should view with optimism and favor the vibrant life of the West that is a product of the social disorganization Mr. Kennan condemns.

To be sure, we have crime, indigence, and exploitation, but those are problems, not symptoms of irreversible decay. On the other hand, rigid authority, Soviet-style, engenders bitterness and fatalism, and those are symptoms of a deadly social malaise.

It is thus better to accept the vagaries of freedom, which Mr. Kennan wrongly sees as archetypal, and appreciate the spirited willfulness of the West's people, than to hope for a strict reordering of society. After all, Soviet authority is not moral, and its people are not, as Mr. Kennan implies, simply ordered: they are defeated.

George Kennan has for years been an astute and savvy observer of Soviet life. It was disappointing to read of his failure to apply his perceptiveness and reason to understand his own people. If he did, he might credit the West for at least offering him the chance to hope for something better.

Thomas Keene
Fletcher School of Law and Diplomacy
Tufts University
Medford, MA

Paul Hollander replies:

Critics of my article claim that I oversimplified or misunderstood the ideas of Mr. Kennan or ignored his criticism of the Soviet system. Mr. Miller in particular chastises me for trying to "tutor" Mr. Kennan about the horrors of the Soviet regime when in fact I had quoted many of his critical remarks, and, in the very beginning of the article referred to his exceptional "knowledge, experience, and insight into Soviet conduct." I had hoped that I did not portray Mr. Kennan merely as an "apologist" for Soviet conduct but rather as an observer whose judgment fluctuates, somewhat mystifyingly, between clear-cut condemnation and the kind of "understanding" (a "therapeutic perspective") that shades on occasion to apology. This is a distinction worth making. I quoted his remarks, past as well as more recent, both about the darker sides of the Soviet regime and those expressing sympathy toward the same regime when overtaken by a benevolent historical determinism. It was precisely in this context that I pointed to the contradictory elements in his writings.

I am baffled by Mr. Tucker's contention that Mr. Kennan sees the Soviet rulers as conservative at home (I take no exception to that) but pursuing activist policies abroad. In fact, as many of the quotations have shown, Mr. Kennan has come to perceive Soviet foreign policy as quite unactivist and highly restrained. Hence his repeated assertions to the effect that the Soviet Union's foreign involvements have been undertaken with the greatest of reluctance and as a last resort, etc. It was not difficult to show, as I trust I had, that he has come to see the Soviet Union as a status quo power, not an activist one as Mr. Tucker believes he does.

Indeed I "fail to understand" Tucker's "fundamental fact" namely that "... since the regime is not driven by the malignant personality of an autocratic Stalin to wage cold war in perpetuity, containment is not the only means of dealing with it." The proposition entailed in the sentence quoted is questionable on two counts. In the first place, it makes "the malignant personality of Stalin" the single determinant of Soviet foreign policy; even more surprisingly, it ignores the continuity in Soviet foreign policies since the death of Stalin. By contrast, it could be argued, as has been done, that Soviet foreign policy was more restrained and cautious under Stalin than under his successors of less malignant personalities. I cannot see how it can be overlooked that Soviet foreign policy has become far more activist and assertive in the last two decades and Soviet global involvement more far-flung. What alternatives to containment exist under these circumstances I find puzzling.

Mr. Miller claims that I overlooked longstanding elements in Mr. Kennan's critique of American society. In fact, I wrote that "Kennan admitted to an alienated sensibility as early as 1951 . . . " What I did argue was that such sensibilities apparently intensified in the wake of the 1960s, which provided new bases for his culture critique. It was this combination of renewed despair over the state of American society (and the West) and fear of nuclear holocaust which seemed to provide the most accessible explanation of his thinking and comparative assessment of the United States and the USSR.

Needless to say, I share Mr. Mansfield's dismay over Mr. Kennan's self-punishing moralism and find his despair over the defects of American (and Western) society excessive and the policy recommendations flowing from them unfortunate.

I appreciate Mr. Keene's comments without fully sharing his optimism about the vitality of the West. I did not intend to convey such a sharp contrast between the earlier and more recent views of Kennan as seen by Mr. Zaretzke.

Hiroshima Alternatives?

Dear Sir:

Adam Meyerson's piece on Truman's Hiroshima decision ("Atoms for Peace: Truman Was Right to Drop the Bomb," Summer 1985) is right on the mark.

Richard M. Nixon
New York, NY

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Dear Sir:

Adam Meyerson is correct that dropping the atomic bombs on Japan was justified considering the circumstances. The question, however, is whether the war could have been brought to a rapid end in a more favorable way, while still avoiding the massive loss of life that would have been the consequence of a conventional invasion of Japan. As a result of the bombing of Japan, a widespread feeling of guilt has been generated in the American public. Anti-nuclear movements resulting in deficient military preparations and also in unreasonable opposition to the peaceful use of nuclear reactors have been the result.

It was proposed in 1945 that before the bombing of Hiroshima we should have demonstrated the atomic bomb to the Japanese. If they did not surrender, we still could proceed with the bombing. The demonstration might have been undertaken by dropping a bomb over Tokyo Bay at an altitude where it would have lit up the sky for many miles around in an evening hour, but where it would have caused practically no damage.

The war was ended by the intervention of Emperor Hirohito. According to John Toland's excellent book, *The Rising Sun*, the War Cabinet remained divided three to three after the bombing of Hiroshima, on the question of whether Japan should surrender immediately or fight on for an honorable peace. At that point, the Emperor broke the provision of the Japanese constitution whereby he was not supposed to intervene directly. He put a speech on a phonographic record. Before the record could be played, a palace revolution was staged by General Anami's supporters. They looked for the record but could not find it. General Anami ordered the ending of the palace revolt, the record was played, Japan surrendered, and Anami committed harakiri for not serving the Emperor well enough by defending Japan in an adequate manner.

It is remarkable that the opinion of no official was changed by the disaster at Hiroshima. The only effect was the intensification of the Emperor's feelings, which led him to take action. Indeed, we should have tried the demonstration over Tokyo. Had he seen the bomb tested, he might have taken action sooner to end the war. This would have ended a horrible war without bloodshed. If this had succeeded, today we should all be happier and safer.

Edward Teller
Livermore National Laboratory
Livermore, CA

Dear Sir:

As one of the potential casualties of the planned invasion of Japan, I read Adam Meyerson's "Atoms for Peace" with special interest. I thought at the time, and I still think, that this slaughter of undefended non-combatants in order to save the lives of men in uniform was grossly immoral as well as unneccessary. I was assigned to one of the new carriers being readied for the invasion. I knew well enough what I was in for, having already taken part in all but one major Pacific operation beginning with the Solomons campaign. Still, I read the news of this bombing first with disbelief and then with disgust.

The article is thoroughly convincing as to the reasons for demonstrating what could be done with this awful new weapon, and as to the benefits which come from doing so. I agree with all this. But why target undefended population centers? Surely the message would have been just as clear had we wiped out a navy yard or a war production plant. Mr. Meyerson does not address this question. The only plausible reason I can see is that the planners wanted to make this demonstration with minimum risk, and preferred to immolate innumerable women and children rather than endanger a plane crew. I would far rather have taken my chances in the invasion.

John Cadwalader
Blue Bell, PA

Adam Meyerson replies:

I argued in my article that the Hiroshima and Nagasaki bombs saved lives by shocking Japan into surrendering. Specifically, the bombs shocked Emperor Hirohito into intervening in a Cabinet meeting—something he had never done before—and saving his country from the suicidal fanaticism of his war leaders, who wanted to continue fighting even after Nagasaki. It is possible that a similar shock could have been administered by a demonstration bomb, as Mr. Teller suggests, or a bombing of purely military installations, as Mr. Cadwalader recommends.

But it seems unlikely that either of these measures would have goaded the Emperor into his unprecedented intervention. Conventional firebombing raids, after all, had already destroyed Tokyo, Osaka, Nagoya, Kobe, and Yokohama, among other cities, as well as most of the country's heavy industry. But this devastation was insufficient to shock Japan into surrendering, even though by the early summer of 1945, the country was in no position to fight.

Cruz Missile

Dear Sir:

It is unfortunate that Adam Wolfson's generally useful article, "Who's Who in Nicaragua: The Good, The Bad, and The Ugly," Summer 1985, was marred by an unjust and politically misconceived caricature of Arturo Cruz, the Nicaraguan resistance leader. Rather than debating its specific inaccuracies, despite their significance, let me reflect on some broader issues.

It is true that, of all the prominent leaders of the resistance, Mr. Cruz was the last to endorse armed resistance. His reasoning, as I understand it, was that, as the "just war" doctrine teaches, armed resistance must always be a last resort. Not only is this a sound principle: in the Nicaraguan setting it was practical and sensible. While the prospect of all-out civil war in Nicaragua may excite kibbitzers in Washington, it holds little romance for the Nicaraguan people, who lost many thousands of their small number during the final paroxysms of the Somoza regime. Because of this experience, popular insurgency in Nicaragua will not flourish just because the CIA waves its wand. The Nicaraguan people

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must know for themselves that there is no other way to freedom. By working through all the alternatives, Mr. Cruz has made that point.

Mr. Wolfson also belittles Cruz's view that the F.D.N. "must be more than a military organization, it must be a source of democratic indoctrination." Yet this too is a compelling point, both in moral and strategic terms. The F.D.N. began as a military proxy movement, directed by the United States and commanded in the field largely by former officers of Somoza's National Guard. The weakness of such an arrangement is obvious, especially when facing a populace whose skepticism has been fed by generations of warlords, filibusters, and frauds. Mr. Cruz understands that in the resistance to the Sandinistas, a clear commitment to democracy cannot be a matter of taste. It is essential to success.

But the most regrettable aspect of Mr. Wolfson's portrait of Mr. Cruz is the sense one gets that some conservatives in the United States are fostering divisions among Nicaragua's freedom fighters, perhaps with the hope that someone who mirrors their own philosophy will come out on top. But the struggle in Nicaragua is for democracy. When that is won, Nicaraguans can have their own comparatively pleasant debate over whether they want social democracy, the conservative opportunity society, or whatever. For now, we all should join in helping them win the fight for the right to make their own choices—and beware that we not hamper their efforts by burdening it with our own far less fearsome disputes.

Penn Kemble
Chairman, Executive Committee
Coalition for a Democratic Majority
Washington, DC

Dear Sir:

"Who's Who in Nicaragua" by Adam Wolfson was timely and sorely needed. However, an important point was missed regarding Commander Enrique Bermudez, the military leader of the directorate of the Nicaraguan Democratic force (F.D.N.).

Commander Bermudez was a colonel in the Nicaraguan National Guard, and was shipped off to Washington by Somoza to serve in the embassy as a military and press attache.

On July 15, 1979, Ambassador Lawrence Pezzullo presented Somoza with a document which listed six non-Somocista National Guard officers whom President Carter would find acceptable to command the Nicaraguan military after Somoza's demise. One of those officers was Colonel Enrique Bermudez, but Somoza appointed another to become leader of the National Guard. Today, however, Bermudez is smeared with the bald-faced lie that he was a "Somocista."

Second, a word on Edgar Chamorro, the former F.D.N. director who made disparaging comments about Commander Bermudez in Mr. Wolfson's article. Mr. Chamorro is very bitter at being voted out of the F.D.N. directorate, a seven-person board that runs the resistance movement. Commander Bermudez is the only military man on the directorate. Since being removed from the directorate, Mr. Chamorro has spent his time making disparaging statements about certain F.D.N. members, and most recently has made very vicious attacks against the F.D.N. itself.

In January 1984, I spent three days with Mr. Chamorro at an F.D.N. safe house in Honduras. At the time, he had high praise for Commander Bermudez. Today his motivations are very much in doubt. He has not only hurt the F.D.N., but has helped the Communist Sandinista cause; I refer specifically to his article in the August 5, 1985 *New Republic*.

Edgar Chamorro's remarks to *Policy Review* are unfair to Commander Bermudez. In May, I spent an evening with Commander Bermudez in his tent, encamped in a ravine in the middle of the rain forest, talking until the early hours of the morning. If he was interested in personal or financial gain, he would not be living a miserable existence at the bottom of a ravine, but would be living in Miami like Edgar Chamorro.

J. Michael Waller
Director of Publications
Council for Inter-American Security
Washington, D.C.

If Enrique Bermudez was interested in personal or financial gain, he would not be living a miserable existence at the bottom of a ravine, but would be living in Miami like Edgar Chamorro.

J. Michael Waller

Adam Wolfson replies:

I thank Mr. Waller for his insights on Commander Enrique Bermudez. Let me respond to Mr. Kemble's defense of Arturo Cruz.

Mr. Kemble lauds Mr. Cruz's reluctance to endorse armed resistance against the Sandinistas. While it is true that "just war" doctrine teaches that armed resistance is only acceptable as a last resort, this does not justify actually testing every single option before finally settling on armed resistance. Mr. Cruz's flirtation with the Sandinistas aided the consolidation of a brutal dictatorship. As late as the summer of 1983, Mr. Cruz explained away their abuses of power by arguing they were simply "overwhelmed by the

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responsibilities of government." Fortunately, some more prescient Nicaraguans did not wait for Mr. Cruz to discover the obvious, but began the struggle for freedom without him.

I certainly had no intention of "belittling" Mr. Cruz's view that the F.D.N. must be a democratic force; of course it should be. But remember that it was Mr. Cruz who for so long after the evidence suggested otherwise continued to describe the Sandinistas as democrats.

Finally, Mr. Kemble implies that by cataloguing Mr. Cruz's oscillating record, my intention was to "foster divisions" among Nicaragua's freedom fighters, and find someone who "mirrors" my own philosophy. Actually, it was Arturo Cruz, a nonplayer in Nicaraguan politics, who was elevated to fame by certain Americans whose waffling views he mirrored.

Rhetorical Questions

Dear Sir:

Steven Hayward's very interesting article ("Voice of America: Ronald Reagan and the American Rhetorical Tradition," Summer 1985), illustrates a revealing discontinuity between the philosophical roots of conservatism and its latter-day political manifestations.

Ronald Reagan's optimism may well be typically American, but it is in no way typically conservative. Conservatism, here as in Europe, is historically a philosophy of limits rooted in the acceptance, either literal or metaphorical, of original sin. The conservatism of Ronald Reagan, like the capitalism of George Gilder, is a philosophy of idealism rooted in assumptions about human nature that the conservatives of an earlier day (Dr. Johnson, say, or Evelyn Waugh) would have rejected.

Not that it's a bad thing having Ronald Reagan in the White House—and not that I haven't gotten choked up from time to time over some of his better perorations. It is his newly palatable brand of conservatism, after all, that has made the right a viable political force in America. But I can't help but think that Ronald Reagan's optimism, for all the obvious good it has done, has been in certain ways a mixed blessing for American conservatives.

Terry Teachout
Harpers
New York, NY

Dear Sir:

Steven Hayward's article is a penetrating analysis of the sources of Ronald Reagan's appeal. It goes far toward explaining why Ronald Reagan is so popular. It does not make a satisfactory case for considering him a very effective President, and as Mr. Hayward himself concedes, it is still a very open question whether Mr. Reagan will be considered a great, or even above average President by future generations.

In making his case for the importance of rhetoric and style, Mr. Hayward reminds us, quite rightly, that Franklin D. Roosevelt's anti-Depression policies were largely ineffective. But Roosevelt's importance comes not simply from his magnificent style and rhetoric. He was the most important President of the 20th century because he changed the direction of American politics. Mr. Reagan has not yet done so, and the odds seem against him.

First and foremost, Mr. Reagan has faced far more formidable obstacles to change than Roosevelt. F.D.R. came into office amidst the wreckage of a social and economic system with a strong personal and party mandate for something new. Mr. Reagan's victories have been largely personal against two inept opponents. He has never enjoyed the large partisan majorities that Roosevelt had during his first six years in office. Moreover, Roosevelt changed America by distributing benefits to most of the population; Mr. Reagan proposes to change America by curtailing benefits. Americans would be less than human if they were more loath to receive than to surrender.

Moreover, it seems fair to observe that the spirit of the "Me Generation" is more nakedly displayed in American politics today than at any past time. Candidates openly solicit votes on the basis of benefits to the voters in a fashion that would have made Warren G. Harding blush. The rhetoric of sacrifice for the common good or the national interest is rarely heard. John F. Kennedy was the last President to employ it successfully, and in his case it did not go beyond rhetoric. The American electorate today prefers pleasure to pain, and demands instant gratification.

Second, while one recognizes the substantial obstacles Mr. Reagan faces, one may still scan his record and ask, "Where's the beef?" No one wants a workaholic President obsessed with details, but Mr. Reagan appears so detached that one wonders about his grasp of the office. More serious is an instinctive centrism that his conservative rhetoric hides. He says what he thinks, but in the realm of actual policy settles for compromises or looks for ways to avoid action. At home, the growth of federal spending continues, and the balanced budget that the President so devoutly espouses becomes increasingly unbalanced. In foreign policy, terrorists find themselves confronting a paper tiger, and the President lusts for a meeting with the Soviet premier in order to demonstrate that he is as much a peacemonger as George McGovern.

Mr. Reagan came to office with objectives that needed to be met: the purging of the excesses of 1960s liberalism and the reassertion of American purpose in the face of Soviet imperialism and world terrorism. He has made some progress in those directions, but it seems minimal.

Ronald Reagan is a magnificent speaker, and his rhetoric has uplifted the American spirit. Still, there is a real world out there that he has left largely unchanged. Major change may be simply impossible within the American system without a crisis as severe as the one that gave Roosevelt his chances. But it seems fair enough to say that unless the President can make more progress toward his objectives, future generations may remember him fondly but will not consider him a mover and shaker.

Alonzo L. Hamby
Professor of History
Ohio University
Columbus, OH

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Dear Sir:

I would like to offer some observations reinforcing Steven Hayward's splendid article. Mr. Hayward properly puts "Great Communicator" but not Great Emancipator in quotation marks. The greatness of even the greatest "communicator" is not self-evident: it cannot be judged apart from what is communicated. Mr. Reagan, according to Mr. Hayward's article, is above all notable for restoring America's native optimism and confidence in its future. But optimism and confidence are good only if they are well founded. Whether Mr. Reagan's optimism and confidence are indeed well founded remains to be seen. It is therefore premature to speak of his place in history.

Abraham Lincoln earned the name of Emancipator, and he did so the hard way. At a time of great moral confusion, he declared that he did not believe that this government could endure half slave and half free. Two years later, he was elected President upon the promise to end the extension of slavery, and to place slavery itself "in course of ultimate extinction." Almost immediately, seven states seceded, and Lincoln was confronted with the necessity of preserving the Union by force of arms. He was asked to compromise, and to end the threat of civil war—by being "pragmatic"—by being willing to divide the territories between the free states and the slave states. To those who gave such advice, Lincoln asked, "Am I to repent of having been elected?"

Lincoln preserved the Union and ended slavery. In the Gettysburg Address, he celebrated a "new birth of freedom." In a message to Congress he said that by "giving freedom to the slave, we assure freedom to the free—honorable alike in what we give and what we preserve." Lincoln had faced the crisis of the divided house unflinchingly in his own soul. By electing him, the nation had chosen to become "all free." That decision was his mandate, and there was no compromise in carrying it out.

Mr. Reagan does not show himself to repent of having been elected. When, however, we reflect that his election was by a far greater margin than Abraham Lincoln's, we wonder what has become of his mandate. During the campaign, he insisted that to preserve the momentum of his defense buildup he needed an annual rate of increase in our defense budget of no less than eight or nine percent. The Mondale-Ferraro ticket declared that half that amount would be sufficient. Yet the budget proposed today calls for no increase.

How can we be optimistic for the future, if Soviet power goes unchecked? According to all that Mr. Reagan has communicated to us, not only in the 1984 campaign, but over the last 20 years, we will not now have the means in hand to check it. Speech must be accompanied by deed. Lincoln's speeches read well, not only because of his literary genius, but because his words foreshadowed his deeds, and his deeds reflected his words. His confidence in the future was the confidence of a fighting faith, a faith that never underestimated the difficulties and the dangers, and that never flinched in facing them.

Harry V. Jaffa
Henry Salvatori Research Professor
of Political Philosophy
Claremont McKenna College
and Claremont Graduate School
Claremont, CA

Steven Hayward replies:

Terry Teachout raises the once familiar problem known as the "traditionalist-libertarian" split, and hints that the idealism and optimism of Mr. Reagan, despite its Christian pieties, is more closely delivered from the liberal/libertarian vision. I agree that such a tension exists, but I also think the traditionalist-libertarian "tension" exists more in theory than in practice, especially in America. Mr. Teachout thinks Dr. Johnson would have disapproved of Mr. Reagan's idealistic, pro-commercial conservatism and yet, wasn't it Dr. Johnson who said that a man is seldom more innocently occupied than when he is engaged in making money?

The spirit of the "Me Generation" is more nakedly displayed in American politics today than at any past time. Candidates openly solicit votes on the basis of benefits to the voters in a fashion that would have made Warren G. Harding blush.

Alonzo Hamby

The point is that because of the unique character of American society and its people, conservatism here varies from its European roots. Contemporary American conservatism, particularly as it is unfolding in the works of George Gilder and Michael Novak, and as expressed by Mr. Reagan, is perhaps moving beyond the "traditionalist/libertarian" dichotomy precisely by its exploration of the moral argument and action of commercial society. This may not only be a new frontier for American conservatism, but may aid its electoral prospects as well, which is why I cannot yet agree with Mr. Teachout that Mr. Reagan may be "a mixed blessing for American conservatives."

Mr. Hamby speaks to a related aspect of this—whether Mr. Reagan, like F.D.R., is effecting a fundamental realignment of political sentiment in the country. It is too soon to judge whether a lasting realignment has begun, but Mr. Hamby is probably right that Mr. Reagan, especially in his public rhetoric, has failed to

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"change the direction of American politics" because he has not made a compelling case to the electorate to become Republican. "Realignments" are fought over what should be the fundamental principles of the nation; they are, in a sense, the Revolutionary War fought all over again. Thus, F.D.R.'s rhetoric sharpened the differences between Republicans and Democrats, while Mr. Reagan's rhetoric in the last campaign minimized differences, in order to maximize his landslide. But realigning elections are seldom landslides; instead, they are close (1932 and 1936 excepted) because voters are summoned to make fundamental choices.

Mr. Hamby overstates his case, I think, by stressing the ineffectuality of Mr. Reagan. Many of his criticisms are fair, but weighted too heavily. It is true that Mr. Reagan has squandered his mandate and missed opportunities, but it is a measure of his overall success in the ordinary sense that talk of changing to a single six-year Presidential term has disappeared, and we even hear the phrase "imperial Presidency" again from time to time.

It is precisely this "restoration" of the Presidency, whose leadership we saw steadily erode under Johnson, Nixon, Ford, and Carter, that leads me to think Mr. Reagan will be regarded as a "mover and shaker" by future generations, not least because of his rhetoric.

Mr. Hamby generously notes that many of his criticisms could have been make of F.D.R. during his tenure, suggesting that it is way too soon to begin settling these questions. The real test of these questions will perhaps not be Mr. Reagan's record itself, but how the presidents after him are compelled to perform, just as we measure the legacy of the New Deal by the history of what followed Roosevelt's passing.

Like Mr. Hamby, my friend and teacher Harry Jaffa ponders whether Mr. Reagan's deeds match his words, reminding us that the measure of the true statesman is not simply whether by his words he influences the sentiments of citizens, but whether he prompts the citizens and the government to take the necessary and often painful actions. About this, Mr. Jaffa properly notes, it is too soon to tell.

But it is certainly not too soon to bring our attention to this most vital aspect of the Reagan Presidency through meditations on the great statesmen of the past, meditations at which Mr. Jaffa has excelled for decades.

Foreign Exchange

Dear Sir:

I would like to express my appreciation for Representative Jim Courter's "Winning Hearts and Minds: Foreign Scholarships and Foreign Policy," (Summer 1985). I hope his scholarship bill makes it.

There is a good precedent for this bill. At the turn of the century, there was an unpleasant episode in China known as the Boxer Rebellion. When it was over, a number of countries received reparations for damage done to their property. The United States, with rare wisdom, put its share of this money into scholarships to American colleges for promising Chinese students. That was one of the best things we ever did—not only for our relations with China, but for China itself.

I hope that we can do as well again, this time on a larger scale.

Charles H. Chandler
Malden, MA

Editor's note:
Last issue's "Disinformation" section contained an item of misinformation. A quotation by Selig Harrison attributed to *Foreign Policy* actually appeared in *The New York Times*.

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KAMIKAZE ECONOMICS

Prosperity and Growth Are Imperilled by Protectionism

PETE DU PONT

It's the fall of 1985 and the American economy is robust and growing. In September, the United States Department of Labor announced that the August unemployment rate fell to a five-year low of 6.9 percent. Inflation remains consistently in the four percent range. Interest rates have fallen. The U.S. economy, fueled by the Reagan tax cuts and record levels of investment—much of it in the form of dollars returning to the United States from their short trip abroad to pay for America's import surplus—created 9 million net new jobs in five years. Now more than twice as dependent on trade as it was in the 1960s, the United States economy is the locomotive of the world recovery.

In the midst of this prosperity, voices of alarm are beginning to sound from several quarters. Speaker Thomas P. O'Neill says America is losing 3,000 jobs a day to imports; more than three million jobs per year according to some estimates. The steel industry says it is losing jobs because it cannot compete against the subsidies of European steel. The computer industry is up in arms because Brazil has declared U.S. computers off limits in their country. Robert Dole, the Senate Majority Leader, is now using mystical buzz words such as "fair trade" and "level playing field." Three hundred pieces of protectionist legislation await action by the returning Congress this fall.

What's going on? Doesn't anyone wonder how we can be losing 3,000 jobs daily while creating a record 9 million net new jobs in five years? Doesn't anyone think it's strange that our steel industry cannot compete against the Europeans who, on net, have not created a new job in 20 years? Are subsidies really the problem or does one suspect that our heavily protected industries are reaping the fruits of their shortsighted management policies and wages which are far above the national average? Is Wall Street really worried about IBM's ability to survive the Brazilian computer freeze? Or is it more worried about Brazil's ability to finance its debt load, which will require exports? Why doesn't someone stand up and say that even if the Japanese market were totally open to American goods, the resulting increase in our exports (less than $10 billion) would hardly put a dent in our trade deficit ($120 billion) and would primarily benefit those industries (communications and financial services) that are not losing jobs in the U.S. economy, but gaining them at record rates? Why doesn't someone point out that if the United States were to level its playing field, too (e.g., by repealing the protection on textiles, sugar, steel, etc.), the trade deficit might very well get worse, not better? Hasn't Bob Dole—a Republican leader—learned the Smoot-Hawley lesson, or the Mondale lesson of 1984, that pandering to special interests is a recipe for political disaster?

The driving political forces behind protectionist legislation are understandable. Industries that view their declining profitability or loss of employment as the result of import competition argue that the cure is to curtail or eliminate those imports. Americans who fear that jobs in their industry are endangered call upon their elected representatives to "do something." Exporters who see tariff and non-tariff barriers thrown up by our trading partners, denying them full access to world markets, also look to Congress for action.

Why Industries Grow

But the economic forces at work present a different picture. Overall manufacturing employment in the United States has declined only slightly since 1980. In fact, if the economy continues to grow at its current pace, we will shortly have as many manufacturing jobs in the United States as we did in 1980. And although certain industries have been particularly hard hit, primarily because of falling worldwide demand (not imports), others have grown rapidly.

Interestingly, and not by coincidence, the industries within manufacturing that have had the highest growth rate of employment since 1980 have several factors in common: an increased worldwide demand for their products, little if any protection, lower than average manufacturing wages, and typically increased import penetration into their markets. Electronics and computers are two good examples. Another interesting example is the automotive sector of our economy. Since 1980, largely because

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of increased efficiencies and expanded worldwide demand, the auto industry has actually gained 100,000 jobs in spite of increased import penetration.

Undoubtedly, there are very real problems. Some industries and firms are losing their ability to compete in the world market, causing great hardship to some working families. Some exporters are facing illegitimate barriers to the export of their goods and services. Congress is right to wish to help change the situation.

But protectionism is not the answer. Indeed, it would worsen the very problems it promises to fix. Its costs in higher prices, reduced trade opportunities, the stifling of innovation, and the threatened return to economic depression are prices too high to pay. But the cry for protectionism will become less shrill only when an alternative set of policies is put forward: policies that will create new jobs while recognizing the special problems of the dislocated worker, increase our competitiveness here and abroad, restore America's leadership in the world economy, and raise the general standard of living.

The Costs of Protectionism

America today faces the same choice our country faced in 1929 when President Hoover abandoned the tax-cutting policies of Calvin Coolidge that had brought six years of strong economic growth, and instead endorsed the Smoot-Hawley Act, plunging the world into the Great Depression. Just as in 1929, the United States today faces a wave of protectionist sentiment fueled by a healthy dose of misplaced patriotism. And just as in 1929, protectionism threatens to send the United States economy straight down the chute.

We can respond to sectoral shifts in the economy by developing a strategy to improve the competitiveness of American goods and services and to respond with compassion to the special problems of the dislocated worker. The best way to do this is to continue the policies of tax cuts and deregulation that have created more than nine million new jobs in the past five years, and increased our productivity and national wealth, not to return to the path of protectionism and economic isolation, and repeat the disaster of the 1930s.

The costs of protectionist policies do not appear in black and white in the federal budget. The cost imposed on consumers is not visible like a sales tax receipt. But the cost is real. It is high. And it is discernible.

Economist Michael Munger has calculated that in 1980 the total cost of existing import restrictions was $58.5 billion. Since then, new barriers have come into being, and today, the cost of protectionism comes to between $1,500 and $2,000 annually for a family of four. This, of course, is more than most families pay in federal income tax.

Quotas on automobiles alone have increased the cost of imported cars by $1,400 and the price of domestic cars by more than $600. As a result of already existing protectionism, in 1984, American consumers paid an additional $4.5 billion for automobiles, $1 billion for footwear, $3 billion for sugar, $18.4 billion for apparel and textiles, and between $1.5 and $4.9 billion for cheese, butter, milk, and cream.

Protectionism, even at its present level, is a heavy burden on American consumers. It is a particularly regressive tax, because the increased price of sugar, clothing, and shoes falls most heavily on lower income Americans who spend a greater percentage of their income on those necessities. The New York Federal Reserve has estimated that protectionism in those three industries has had the same effect as an income tax surcharge of 25 percent to 66 percent on families with incomes of $9,350.

Economists at the Brookings Institution and the Council of Economic Advisors have calculated the tremendous cost of using tariffs and quotas as an industrial policy. "Protecting" one job in the television receiver industry, where the average wage is $22,900 per year, costs $74,155. The annual cost of "creating" a job in the footwear industry that pays an average compensation of $10,300 per year is more than $68,000. The steel industry weighs in at a cost of $110,000, to protect an average salary of $27,700. And protectionism in the automobile industry costs an average of $160,000 to protect an average salary of $28,300. Thus the ratio of cost imposed on consumers to the value of the job theoretically saved is staggering. The ill-fated and hopefully forgotten CETA program was finally eliminated for similarly high cost/benefit ratios.

Another cost of protectionism is the damage it does to the vitality and innovation of our domestic economy. Protecting jobs and profits in one industry locks labor and capital into less efficient uses, stifling new jobs in other industries, and reducing incentives for companies to modernize and response to changing technology and consumer demands.

We see this damage in those industries already "protected" by quotas and tariffs. Indeed, those industries that can no longer compete efficiently in the world market and are calling for protectionist policies are precisely those industries that have "benefited" from the longest history of protectionism.

Textiles have been covered by a myriad of quotas and market allocation agreements for some 25 years as well as one of the highest tariffs (22 percent) imposed by the Customs office. The auto companies have benefited, not only from the normal tariff duties, but from the so-called voluntary restraining orders of the past few years. Protectionism has allowed the auto industry to postpone needed changes in work rules that would greatly increase efficiency and competitiveness, The steel industry has benefited from minimum prices forced on foreign steel and most recently from quotas, which delayed the steel industry from becoming significantly more competitive. Operating under the price umbrella of quotas, the steel industry still pays wages 31 percent higher than the average wage in the United States and 23 percent higher than the average manufacturing wage. Protectionism halts the process of change and innovation necessary for American firms to adapt and innovate in order to become more competitive.

The protected industries in America give us a glimpse of what could happen to the entire economy if protectionist measures are allowed to expand. Yet we have only to look at Europe to see what could happen here if our policy becomes one of hiding from, rather than responding to, competition.

Much of Europe has taken the view that the number and

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type of jobs in society is fixed. In a free, competitive economy, it never is. Yet many European nations have erected protectionist barriers, allocated subsidies, and otherwise worked to keep the labor markets frozen. The logical extension of this thinking brought the demand from Arthur Scargill, the Marxist leader of the British coal miners' union, that miners' jobs be continued even at those coal pits that no longer had any coal.

Just as in 1929, the United States today faces a wave of protectionist sentiment fueled by misplaced patriotism. And just as in 1929, protectionism threatens to send the U.S. economy straight down the chute.

As a result of locking up capital and labor in non-productive uses, thereby stifling the growth of real wealth-producing jobs that would generate secure incomes and futures for the European people, the Common Market nations have failed to produce any net new jobs while the American economy, as yet free of extensive protectionism, has created 9 million net new jobs since 1980. Now many Europeans are beginning to realize the damage done by this "Eurosclerosis," the continent's economic equivalent of hardening of the arteries. They are looking to America with her relatively free labor and capital markets as the path to real growth.

Another cost of protectionism is the damage done to exporting industries and firms. The United States Chamber of Commerce estimates that some five million American jobs are directly tied to the export market. And American exports are growing; up 10 percent last year to $220 billion.

The history of the Smoot-Hawley Act serves as a grim reminder of what a high tariff policy can do to the Americans who now work in the export industries. After the bill was passed, American exports, which stood at $5 billion in 1929, fell continuously to $1.6 billion in 1932. America would not reach its 1929 level of exports until the 1940s. And despite the massive tax hike in tariff rates, revenues from import duties fell to half their 1929 level.

Perhaps the greatest cost of protectionism is the threat of another Great Depression. The Smoot-Hawley Act began as a small bill directed only at farm imports. Although today's protectionist bills are for the most part aimed only at a few industries, the dynamics of congressional politics makes it likely that any protectionist piece of legislation would grow, as did the Smoot-Hawley Act, to include many sectors of the economy.

Protectionist legislation prompts swift retaliation by other nations. Indeed, in 1929, many nations erected new tariffs just on the belief that Smoot-Hawley had the votes in Congress to pass.

Shutting out foreign imports would impoverish our trading partners. They would no longer have the dollars to buy American goods and, as in 1929, our exports would crumble. Farmers would be hit particularly hard. Debtor nations would find it more difficult to repay loans to American investors and we would likely see bank problems of increasing magnitude.

Last but not least, we must remember that an imploding world market has direct political consequences. When the Germans were no longer able to export to the United States and earn foreign exchange to pay their reparations debts to the allied nations in the 1930s, the fragile Weimar Republic was torn asunder and collapsed into the clutches of Hitler.

The costs to consumers, the damage wrought by constraining our domestic free market, the jobs killed in export industries, and the promise of a new Depression are too great to allow America to follow the path of Herbert Hoover and his Smoot-Hawley tragedy. We can and must promote and institute policy changes that offer a better future for America.

A New GATT Round

America must provide the leadership in bringing our trading partners together for another round of General Agreement on Tariffs and Trade (GATT) negotiations. A new GATT round must include agreements on services as well as merchandise trade, for services are becoming a larger segment of international trade. We should bring non-tariff barriers under the GATT, for they have become a loophole. And a new GATT round should include textiles, which are presently dealt with separately in the Multi-Fiber Agreement.

Multilateral and bilateral negotiations should strive to reduce all barriers to goods and services, both tariff and non-tariff. We cannot afford to get sidetracked by the illusion that our opening negotiating gambit should be to threaten or impose tariff barriers against our trading partners in the hope that they would respond with lower barriers of their own. Experience has shown the bankruptcy of this hope. Never in history has the imposition of higher tariffs by one nation led to the reduction of tariffs by one of its trading partners.

We already have mechanisms for dealing with cases of dumping, government subsidies, and other unfair trading practices. These should be—and can be—vigorously enforced, for the American consensus for free and open trade rests heavily on the belief that our trading partners are dealing with us on a fair basis.

As we negotiate to reduce worldwide barriers to trade, we must work to make American industry increasingly competitive. Where our trading partners have lower production costs, there are two possible approaches. The first is to raise the costs of their products through higher tariffs or quotas. This path leads to all the costs and misery discussed above. The second path is to make our own goods and services more competitive.

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There are three components of the cost of American goods and services: the cost of labor and materials, the cost of capital, and the cost of government, such as the taxes and regulatory burdens placed on individuals and companies. Rather than trying to "level the field" by putting taxes on our competitors—taxes we quickly pay in the form of higher prices on imported as well as domestic products—we should take a look at how we can reduce our own costs and compete more effectively.

Improving Competitiveness

The cost of labor, often blamed for America's inability to compete with low-wage nations, has two components. First is the take-home pay of working men and women. Our goal is to keep that high and growing for all Americans. What we ought to cut is the second component—income and payroll taxes. Reducing the disparity between what workers earn and what they get to keep was the goal of the 1981 tax cut and is again the target of President Reagan's tax reform package that would reduce marginal tax rates for all working Americans. We can go further and learn from the Japanese, who have consistently lowered individual income taxes over the years. Japanese workers cost less, not simply because they are paid lower wages, but also because their marginal tax rates are lower.

The cost of capital in the United States can also be reduced. Here again, let us take a look at our competitor Japan. Gross private savings in Japan is 21 percent of disposable income compared with six percent in the United States. This great pool of savings allows for investment in new plants and equipment and constant modernization.

Why is the Japanese savings rate so high? Cultural factors understandably contribute. But tax rates on savings in Japan are considerably lower than in the United States. And unlike the United States, the Japanese have largely tax-free savings accounts for their citizens—similar to an unlimited Individual Retirement Account. In addition, Japan has no capital gains tax. No wonder the Japanese save a great deal of money. The rewards to savings are not undermined by excessive taxation. Our tax policy is penalizing American industry and hurting our farmers who would greatly benefit from the vast pool of savings that a pro-savings, pro-tax policy would generate.

The third component of the cost of American goods and services is the cost of government regulation itself, a fixed, non-productive cost imposed on American business and workers. Taxes and unnecessary regulations increase the cost of American goods and too often price us out of international markets.

Trucking regulation is a good example. When President Carter began the move towards a deregulated trucking industry in 1980, he put that industry on a path that saw costs decrease by 20 percent. Airline deregulation has also greatly reduced prices to consumers and expanded employment in the industry. Financial deregulation could continue this progress. We do ourselves a disservice if we fail to see the impact regulation has on our international competitiveness. Indeed, all federal agencies should carefully consider the economic impact of any proposed regulation, making us aware of what effect it will have on America's ability to compete in world markets.

Supply-Side Success Stories

Taxes of all kinds also force the price of American goods up. Massachusetts, for example, lost thousands of jobs in the late 1960s and early 1970s. But in 1980, when a citizens' initiative cut the property taxes by half, the exodus of jobs ceased and the high technology firms that had planned to leave the Bay State not only stayed but expanded. Today the unemployment rate in previously high-tax, high-unemployment Massachusetts is just four percent.

"Protecting" one job in the television receiver industry, where the average wage is $22,900, costs $74,155. The annual cost of "creating" a job in the footwear industry that pays an average of $10,300 is more than $68,000.

My own state of Delaware has had three major income tax reductions totaling 40 percent since 1979. As a result, old jobs have been retained and new ones gained. Delaware's growth of employment and income shifted from being one of the slowest in the late 1970s to one of the most rapid in the mid-1980s.

If we think of Massachusetts and Delaware as independent nations concerned with keeping jobs, we can see how reducing taxes played the central role. Would tariffs and quotas keeping competitive foods and services out of Massachusetts and Delaware have achieved the same results? Certainly not. Fortunately, the framers of our Constitution saw just this danger of protectionism at the state level and forbade state tariff restrictions, insisting on free trade between the states.

A great number of other changes would make us better competitors in the arena of world trade. Repealing the restriction that forbids us from selling Alaskan oil to Japan and allowing the export of timber cut from our federal lands would reduce our trade deficit by $20 billion, according to Murray Weidenbaum, former chairman of the Council of Economic Advisors.

Eliminating the Cargo Preference Act, which forces much of our exports to travel on more expensive ships, would increase our competitiveness as well. Reducing antitrust limitations on combining for research and development or marketing efforts would enhance America's ability to compete. Our antitrust regulations were passed at a time when the U.S. economy was largely self-contained. Today, the American firm faces world competition. Considering an alternative policy to agricultural price supports in order to help farmers export would be a welcome step forward.

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Easing the Adjustments

Even with increased competitiveness in the U.S. economy, we must recognize that some industries will lose jobs. Just as new industries and products replace old industries and products in the domestic market (the automobile replaced the horse and buggy, and the discovery of oil made the whaling industry obsolete), so too will foreign competition sometimes price a portion of a domestic industry out of the market. Our goal ought to be to keep the mobility of labor and capital within the United States as high as possible with the least possible disruption to individuals and areas undergoing change. It should be directed to solving the very real human problems of dislocated workers, rather than freezing whole industries in the status quo, thereby postponing the inevitable adjustments, hampering innovation, and driving up costs to the consumer.

Retraining for displaced workers is an important element in reducing the fear some workers and managers have in the constant change that is endemic in a free market. Already, there are a great number of retraining programs run by companies, federal and state governments, and private colleges. Indeed, American companies spent twice as much on education and training as the combined cost of all colleges in America.

Still more can be done. One suggestion is to allow a "retraining IRA," an account where working men and women could save tax-free money that, like regular IRAs, would accumulate interest without being taxed. Should a worker need or wish retraining to shift from one job to another, he could make with withdrawals from the retraining IRA. Unemployment insurance benefits could be made available for retraining. (A test program in Delaware is quite promising.) Health insurance could also be integrated with the unemployment insurance program as workers are often vitally concerned about their health insurance during transitions.

Another innovation would be to make company pension plans more portable. When an employee leaves one firm and moves to another, he could carry his accumulated pension benefits with him. Fixed and non-transferrable pensions are a disincentive for workers to move, even when higher wages are available elsewhere.

The long-term answer to the structural adjustment issue has to include a fundamental reform of our education system. No longer is an education system which provides a "one skill per lifetime" worker going to be good enough for the United States to be able to compete in the modern world economy. Education, training, and retraining are going to have to be lifetime processes in our modern economy. The sooner we get on with the challenge of fundamental reforms of our education system, the sooner all U.S. workers will have the tools to survive in a rapidly changing economic environment.

The challenge of the future is to create the millions of new jobs that will be necessary to employ young Americans entering the workforce. Protectionism cannot do that. Rather, we need an expanding American economy, an expanding world economy, and a modern education system to create new opportunities for entrepreneurship and innovation.

The protectionist lobby argues that imports take away American jobs. It is wrong. In 1985, we have a trade deficit of $120 billion and 9 million more jobs than we had in 1980, when the United States ran a trade surplus. These new jobs could not have been generated without the enormous capital inflow that has fueled the recent expansion of the U.S. economy. And because our balance of payments must even out, capital inflows would not have been possible without a trade deficit.

Imports do not cost jobs; they are a reflection of the relative strength of the American economy. We are growing faster than the rest of the world because we cut taxes in 1981 and because we began to deregulate our economy. Continued job creation requires that we continue on this path.

The President's tax reform package will be a great boost to job creation. Other bills will also help. The Youth Opportunity Wage Act would allow teenagers to work in the summer without being priced out of the market by the minimum wage. This bill would create an estimated 600,000 jobs for teenagers every summer. No present piece of protectionist legislation even claims to come close to creating this many jobs.

The "enterprise zone" legislation would create new jobs and opportunities in depressed urban and rural areas. Real jobs would be created, not uneconomical jobs temporarily protected by tariffs. Eliminating the Davis-Bacon Act would generate new jobs in the construction industry.

We can further improve our competitiveness by unleashing the innovative genius of the American people by removing the remaining obstacles to economic growth and job creation here at home, and by reforming our educational system. Already our free economic system is beginning to adjust. The dollar has fallen nearly 15 percent in recent months on world exchanges. The U.S. economy, after a dull first half, will have a better second half. Now is the time for patience and a careful use of the scalpel, not the meat cleaver.

Those who counsel despair, who would have us retreat behind a wall of high tariffs, have lost faith in America's most enduring qualities: the ability to adapt, innovate, and use challenges as a springboard to greater heights. They have become pessimists in a world where optimists create opportunity for the future. ☎

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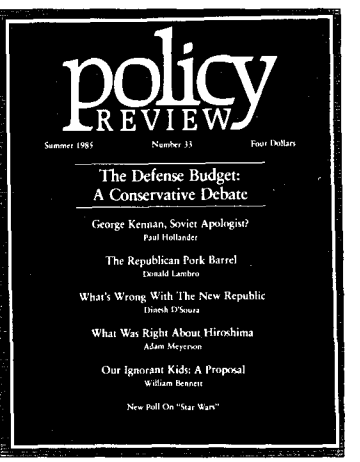

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THE COMING CRISIS IN CHILE

Pinochet Is Playing into the Communists' Hands

MARK FALCOFF

Twelve years ago this September, a coup d'etat in Chile toppled President Salvador Allende, extinguished the democratic system in that country, and established in its place a willful, arrogant, and at times astonishingly cruel dictatorship. By acting as they did when they did, the generals arguably saved their country from Communism or civil war. In the intervening dozen years, however, a new regime has emerged which—far from consolidating that achievement—actually makes it more probable that at some point in the future, the forces of Marxism-Leninism in Chile may yet achieve their goals.

Chile is a small and remote South American nation. It lacks the population, the investment exposure, or the geopolitical significance that make Brazil and Argentina important countries to the United States. But it has always been a battleground of ideologies, and developments there have often acquired vast symbolic importance. This is particularly true of the 1973 coup: few incidents in Latin American history have had such far-reaching international repercussions. And as frequent references to Chile in the recent congressional debate over Nicaragua make clear, memories of the coup continue to affect the course of American domestic politics and foreign policy.

There are at least four reasons why Chile remains such a focus of controversy in the United States and elsewhere. First, until 1973, it possessed the most stable and established democratic system in Latin America, with a political culture at least superficially similar to Italy or Fourth Republic France. The destruction of its democracy has therefore seemed especially tragic.

Second, Allende himself was a Marxist—a friend and admirer of Fidel Castro—who nonetheless proposed to transform Chile's political and economic institutions irrevocably and irreversibly through peaceful, parliamentary methods ("the Chilean way"). His government, to be sure, was an unstable, even incoherent coalition of socialist, Communist, and tiny liberal-left parties that never obtained a working majority, either in the Congress or in the country at large. But by not looking too closely at this detail, it was possible to regard the Allende regime as the first opportunity to strike the "historic compromise" between Marxism and democracy that Engels had once suggested might be possible. It was this in particular which attracted the attention of Western Europeans to the Chilean experiment.

Third, because it has since been established that the Nixon Administration connived (unsuccessfully, as it turned out) at a coup to prevent Allende from taking office following his election in 1970, and then subsequently poured some $8 million into Chile over the next three years to assist the parties and forces of the opposition, critics hold that the United States bears the moral responsibility for the extinction of democracy in Chile, and for the very existence of the present military government. This view persists in spite of the fact that a special committee of the United States Senate constituted to look into the matter found no direct American involvement in the coup itself.

Finally, the inhumane treatment doled out to some of Allende's supporters after the coup, which has continued on a smaller but persistent scale against dissidents of all political tendencies since then, has revived the notion in liberal circles in the United States and Western Europe that fascism—not Communism—is the principal threat to humanity, and that successful resistance to Marxist regimes elsewhere is bound to exact a similarly unacceptable human cost.

Though dozens of books, pamphlets, films, plays, and even paintings have been produced since 1973 to explain the causes of Allende's downfall, the matter itself can actually be reduced to a few paragraphs. Allende had been elected in 1970 with slightly more than a third of the vote, less than two percentage points more than the candidate of the right, Jorge Alessandri. Though the centrist Christian Democrats—the largest single political grouping in Chile—initially offered to collaborate with the new government, Allende spurned their offer (since this would have necessarily required a moderation of his program) and proceeded instead to govern as if he had already achieved a decisive mandate.

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By the time he entered the second year of his six-year term, his government was already in serious trouble. Economic mismanagement and unrealistic manipulation of prices led to shortages of the most basic items and hyperinflation; meanwhile, "spontaneous" seizures of property, both rural and urban, by some of the president's own supporters (over whom he exercised scant control) undermined respect for the rule of law. During 1972 and 1973, the country was rocked by protests and strikes led by truckers, who were eventually joined by shopkeepers, small businessmen, professionals, and at the end, even by copper miners.

In a situation of increasing polarization, Allende found it necessary to call in the Chilean Army to act as a neutral force between his government and an increasingly unified opposition, which now included not merely the right, but the Christian Democrats and other forces of the center. The service chiefs urged Allende repeatedly to strike a compromise with the Christian Democrats, but his own Socialist Party ultimately forbade him to do so. Eventually the military grew tired of acting as a cushion between what had become two separate countries and seized power. To imagine that these events were (or could be) somehow arranged by the United States—covertly or not—is to vastly underestimate the complexities and the conflicts of Chilean politics.

UPI/Bettmann Newsphotos.

Pinochet: The Next Somoza?

Pinochet's Rise to Power

Because liberals, assorted leftists, and Marxists of every stripe have seized upon "Chile" as a treasured exhibit in their case against the anti-Communist thrust of American foreign policy, conservatives have been reluctant to join in the chorus of opposition to the military regime. On Chile, there is a slightly defensive tone to the conservative brief: typically it consists of the ritual affirmation that military-authoritarian regimes are bound over time to evolve towards democracy. In the meanwhile, the argument runs, it is best not to destabilize them while they work out their (apparently inevitable) cycle of self-liquidation.

No doubt in a very general sense this is good advice—as evidenced by successful transitions (sometimes after decades of authoritarian rule) since 1974 in Greece, Portugal, Spain, Ecuador, Peru, Argentina, Uruguay, and Brazil. However, while authoritarian regimes may indeed *tend* over time towards the restoration of pluralistic institutions, this is not always the case. And when it is not—as in Batista's Cuba or Somoza's Nicaragua—the consequences for the people of that country, and for the security interests of the United States, are catastrophic. Unfortunately, as things stand now, the proper metaphor for Chile is not Spain or Brazil, but Cuba or Nicaragua, and Americans, particularly conservative Americans, need to understand why.

When the armed forces overthrew Salvador Allende, most Chileans expected the new military junta to rule for a relatively brief period. Instead, it has lasted longer than any other government in the nation's history, and unlike those which have recently expired elsewhere in South America, it has become identified with a single overpowering personality—General Augusto Pinochet Ugarte. Born to a middle-class family in 1915, Pinochet entered the military academy while still an adolescent and was commissioned a second lieutenant in 1933. For the next 40 years, his was a slow ascent in an army that knew neither wars abroad nor *pronunciamientos* at home. The high points were a tour as military attache in Ecuador; teaching in service schools, where he cultivated an interest in military history and geopolitics; and a period as zone commander in Chile's arid north, source of its mineral wealth—and the epicenter of its militant trade union politics.

In his autobiography, *The Decisive Day*, published in 1980, Pinochet describes his years until the presidency as a time of political maturation and growing awareness. Yet to the very day of the Allende coup, there was no apparent evidence of this. In fact, Pinochet advanced to the pinnacle of his career—Commander in Chief of the Chilean Army—in August 1973, in large part because he was not identified, even within the extreme confidentiality of military circles, with the opposition to Allende. He joined the movement to oust Allende only at the last minute.

Since 1973, Pinochet has strengthened his personal control of the armed forces. He has forced senior officers who could be regarded as potential rivals to retire and ousted one member of the junta—Air Force General Gustavo Leigh—who favored a more rapid return to democracy. A plebiscite called in 1980 approved a new constitution which made him president with a full term to run until 1989. Theoretically, the four-man military junta retains quasi-legislative powers, and there are some differences of opinion between it and Pinochet. Nonetheless, his views have invariably prevailed, and he retains a strong presence within that body through the Army representative who replaced him. The kind of collective decision making and military "parliamentarianism" that operated in Argentina

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and Brazil during the 1970s has not emerged, and as long as Pinochet is on the scene, no one expects it to.

"In peace and order—Chile advances." Such is the slogan of the regime: not merely official propaganda but also a fair description of the present situation; in many ways, the government is stronger than ever. It exercises complete control over the armed forces and police, and possesses the capacity to establish strict limits to judicial independence or academic freedom. Moreover, since the collapse of private Chilean banks in 1982, the government has assumed their obligations, and in so doing, acquired a de facto control of Chilean industry to which Allende aspired but never achieved. The difference is that Pinochet's "socialism" is wholly informal and at least theoretically reversible—in the unlikely event that the debtors can find a way to retire their loans. Meanwhile, generals active and retired are sitting on the governing boards of major credit institutions, and are therefore able to influence the conduct of key Chilean enterprises, including newspapers and other forms of mass media. Thus the notion—widespread in conservative circles in the United States—that Chile has become in some way a showcase for free enterprise is somewhat wide of the mark.

Because assorted leftists have seized upon Chile as a treasured exhibit in their case against the anti-Communist thrust of American foreign policy, conservatives have been reluctant to join in the chorus of opposition to the military regime.

Against these additions to the power of the regime must be balanced one irreparable loss: the mystique that gave the military government a vast underpinning of popular consent between 1973 and 1980. During those years it was seen as having saved Chile from the abyss to which Allende and his supporters had brought it, and the economic difficulties of the mid-70s could be written off as the price—expensive but unavoidable—of having escaped the worst. Moreover, between 1978 and 1981 Chile experienced a brief if remarkable economic recovery, fueled by high prices for copper, its principal export, and by a flood of new foreign loans. Since 1982, copper prices have plunged to historic lows, forcing a devaluation of the Chilean peso and leading to the bankruptcy of many enterprises—and individuals—who had contracted dollar-denominated debts. Unemployment has also risen to at least 25 percent, much of it among young people just entering the job market. It is normal for de facto governments in Latin America to experience a loss of legitimacy—in Spanish, *desgaste*—over time; indeed, it is under just these circumstances that they normally decide to begin devolution to civilian rule. In this case, however, the nature of the regime has made such an accommodation virtually impossible.

Instead the nation plunged first into economic crisis, then into social explosion. Beginning in May 1983, Chile was rocked by a new series of strikes, repeated on a monthly basis until by midsummer Pinochet was forced to call out 18,000 army troops to supplement the paramilitary police, *carabineros*. In August—probably under pressure from the service chiefs and senior flag officers—he appointed Sergio Onofre Jarpa, a conservative politician prominent in the struggle against Allende, to the post of Interior Minister. Jarpa immediately lifted press censorship, permitted the return of several prominent exiles, and initiated a dialogue with the opposition concerning, among other things, advancing the date of elections.

Jarpa and the leaders of all the opposition parties except the Communists met three times in August and September, but without result, since the opposition parties refused to accept Pinochet's 1980 Constitution as a basis for discussion, and insisted that Pinochet resign the presidency forthwith. Once the opposition realized that Jarpa was in no position to offer this, they settled back to wait for further demonstrations, which they presumed would frighten the military into handing power over to them. There was, indeed, further unrest, some of it spontaneous, some provoked by the Communists (whose purposes were entirely different, since they were excluded from the dialogue and could not have expected to benefit from its successful resolution). On November 6, 1984, Pinochet imposed a state of siege and replaced Jarpa with a less independent personality. Strict press censorship and a nightly curfew were also reimposed. Though the siege was lifted six months later, reportedly because of heavy pressure from the United States, many of the extraordinary powers it conferred upon the president have simply been transferred to the "state of emergency" which replaced it. The government has withdrawn its original offer to consider advancing the date of congressional elections, and now insists that its original timetable must be respected. Hence, from both its perspective and that of the opposition, there is no basis for a resumption of dialogue.

Constitutional Inflexibility

To explain why this is so, we need to look briefly at the Constitution of 1980, since it tells us where Pinochet is trying to take his country, and also explains why the opposition finds it unacceptable, at least in its present form. Drafted by a committee of jurists appointed by the junta, this charter is supposed to serve as the basis for a transition to democracy in 1989.

Basically, a three-phase procedure is contemplated. In the first, from 1980-1989, all political parties will remain "in recess," which is to say illegal, and the president will be General Augusto Pinochet Ugarte (he is named on the document). In the second stage, to begin in 1989, the commanders of the three armed services and of the National Police will name someone to serve an eight-year presidential term, subject to a plebiscite. This person will be uniquely exempt from the provision which subse-

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quently forbids reelection. In the event of a "no" vote in the plebiscite, the life of the present government will be prolonged an additional year, at which time a normal, competitive election will take place, coinciding with the scheduled election for Congress. However, the opposition is allowed a mere two months to organize and canvass for this result.

In the third phase, a Congress—consisting of a Senate and Chamber of Deputies—will come into existence in 1990. However, the Senate will only partially be elected by popular vote, and cleverly crafted provisions give the executive the opportunity to "pack" it, and therefore to veto all of its decisions from within. More to the point, almost no important subject is left to parliamentary initiative. It also deprives the Chamber of Deputies—the only fully representative body—of its historic privileges, such as the power to review quasi-legislative Executive Acts. The Constitution virtually abolishes the need to obtain parliamentary approval for decrees that restrict constitutional guarantees.

In what must surely be one of the most unusual provisions ever seen in a Western constitution, a new Constitutional Court named by the military can expel a deputy or senator for drafting or even voting for a motion or a bill declared to be "unconstitutional."

The Constitution practically cannot be altered without the consent of the President. It cannot be amended in ways that would abridge the most important prerogatives of the Executive, or that would enlarge the powers of the Congress. Nor may the Constitution be challenged in any fashion that diminishes the power of the Constitutional Tribunal, the Armed Forces, or the National Police without the approval of the president. In other matters of lesser importance, the parliament may prevail over the president if it can muster a three-quarters majority; even so, the Executive may still call a plebiscite to reverse the decision.

Perhaps the most important feature of the Constitution is the way it introduces a new and permanent tutelary role for the armed forces, whose chiefs may oppose any law, party, or policy which "compromises national security" or "gravely threatens the foundations of the institutional order." Indeed, the charter undermines the very notion of civilian control of the political process by the creation of a semi-autonomous military power in the political system. Service chiefs may propose laws of their own without being subject to removal by the president. Chile will have either an extremely limited democracy or, if the military chooses not to exercise its attributions, the tyranny of a single all-powerful individual.

The Constitution can work only as long as there is no substantial difference of view between the Executive and the Chamber of Deputies. This unanimity is unlikely, because the Constitution does make provision for an eventual return to democratic political activity—parties, elections, individual guarantees, etc. But since there is almost no way of amending the Constitution, Chileans are left without the flexibility necessary to work out their differences.

Almost everybody in Chile expects that Pinochet will be the junta's candidate in 1989. The Constitution does permit a transition of sorts, but also makes it possible for General Pinochet to remain in power to 1997, and if he lives long enough, to 2005. Somehow during that time Chileans are supposed to mature enough to behave responsibly in politics, even though they will have virtually no opportunity to participate in ways that foster a serious sense of public responsibility. By 1997, Chileans under the age of 30 will not remember any other political system; they will have witnessed the humiliation of pliant democratic forces willing to play Pinochet's game; and will know of Communism only what the government has repeatedly said about it, namely, that it is its antithesis.

Disdain for Politics

The central problem is that in actuarial terms it is very unlikely that President Pinochet will live to 2005. He himself seems not to care very much about this detail, and his dwindling corps of civilian supporters can only cling to the hope that somehow another general will arise to play the same role. Given the highly personalistic nature of the regime, this seems unlikely. When Pinochet dies, he will bequeath to his country a political system which—even if taken seriously and rigorously observed by all participants—is far from democratic, and lacks the ability to adapt to changing political forces in Chile. It is this legitimacy vacuum, actual and potential, which offers the greatest opportunities for terrorism and the revolutionary left.

Though the 1980 Constitution was drawn up by a commission of lawyers and political theorists, it is less the product of collective deliberation than a baroque conflation of Pinochet's personal political philosophy. The Chilean president has frequently depicted the Allende experiment as the culmination of a long process, in which democracy proved itself unable to resist totalitarian doctrine, and indeed willingly surrendered to Communism "the best arms to destroy it."

Here, oddly enough, Pinochet has accepted at least implicitly the myth of Chilean Marxism—namely, that the people are merely waiting for the opportunity to lunge towards Communism. This is what he means when he talks about the need to establish a "protected democracy" with "limited pluralism." His assumptions, to be sure, are contradicted by much of recent Chilean history, including Allende's inability to obtain an electoral mandate for socialism, the widespread and active civil opposition to Allende's programs, and the decision of the Congress in August 1973 to declare the Allende government "outside the law." But Pinochet's notions mask a hidden agenda, which is to "save" Chileans not merely from Communism or even socialism, but politics in the ordinary sense of the word.

The Decisive Day is full of snide references to the old order in Chile, whose politicians are depicted as unswervingly corrupt and uniformly self-serving, and whole parties and governments are seen as "infiltrated" by Marxism. Thus it is not surprising that parties today have no legal existence in Chile, though under Pinochet's own timetable they are supposed to burst forth suddenly five years from now to fulfill the role of electing a Congress and acting as an extremely tame opposition. In the meantime, however, their rank and file cadres must carry on peaceful organizing work, intermittently subject to detention, brutal treatment, and internal exile. Again, paradoxi-

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cally, this works to the benefit of the one party that has demonstrated a capacity to operate in secret, namely the Communists, who receive ample assistance from Soviet and Cuban sources, and who since 1980 have endorsed terrorism as the proper means to resist the government.

The Communists have planned and carried out attacks on police stations and military installations as well as bombings and other acts of sabotage. Two other terrorist organizations, the Movement of the Revolution (M.I.R.) and the Manuel Rodríguez Patriotic Front (F.P.M.R.) claim to be independent of the party but there is considerable evidence that the latter, at least, operates under party guidance. In 1983, the Communists, the M.I.R., and the one small faction of the Socialist Party which continues to espouse the violent road to power, created a broad front known as the Democratic Movement of the People (M.D.P.).

The recent evolution of the Chilean Communist Party stands in marked contrast to its role during the Allende regime, when it acted as a restraining force against ultra-leftist pressures and activities of the M.I.R. and also the left wing of the president's own Socialist Party. Meanwhile, the socialists have regrouped—both in exile and at home—and the largest faction, led by former Interior Min-

Chilean Voices, 1985

Political life is not necessarily defined by the activities of political leaders, which in the case of our country are largely centralized in Santiago and confined to a very small and very clearly defined group which operates according to its own rules, different from those which operate in the rest of the country nowadays. The proper interlocutor for political authority is always the people . . . This government utilizes an approach to society radically different from that of the traditional political forces . . . The problem is that the so-called leaders of the opposition have not managed to adapt themselves to these new realities.

Francisco Javier Cuadra, Secretary General of the Chilean Government

When one holds a ministerial position [in Chile], one lives inside a bubble. I was a "bubble girl," and no pollution was allowed to penetrate my government bubble. I was immune to disease. I did not even need to build self-defense mechanisms, because everything was explained to me in an authoritarian way at the council of ministers, and everything was fine and wonderful. We were living in the best of worlds . . . Everything the government does is excellent, and whoever dares to say the opposite cares only for his own ambitions, or is a crook who engages in political chicanery, who has obscure intentions, and who, finally, is a Marxist. I took that medicine for eight years. When I went abroad, I stopped taking it.

Mónica Madariaga, former minister of justice and education, former Chilean Ambassador to the Organization of American States

We have committed many errors and we are ready to admit as much. But that cannot be used as an excuse to confine us for the rest of our lives in a straightjacket which, far from resolving the nation's problems, simply generates new ones.

Eugenio Ortega, member of the Central Committee of the Christian Democratic Party

We Christian Democrats defend the right of any Communist to be a person and recognize that this is a group which has influence in the country. Communists have been persecuted and placed in a dramatic situation individually and collectively. We do not have a political alliance with the Communists or advocate Communist ideas or methods. We want them to work for the return of democracy in Chile.

Jaime Castillo, vice president of the Christian Democratic Party

The government must now approach the problem of transition, recognizing that it will not be able to count upon the effective and constructive participation of the bulk of the opposition . . . In my view, however, the problem is not whether the opposition can be induced to participate, but rather how to design a plan that does not depend upon opposition support for its success. The key is to obtain the support of the vast majority of moderate citizens in this country, so that the political opposition finds itself isolated.

Jaime Guzmán Errázuriz, former member of the commission which drafted the Constitution of 1980 and leader of the Independent Democratic Union

We unequivocally favor massive civil disobedience . . . Democracy can be restored only by utilizing the broadest methods of political struggle . . . We clearly affirm [however] that we do not favor a military confrontation that would exact from our people costly, useless sacrifices. For that same reason, we oppose any terrorist activities that lead unmistakably down that road.

Declaration of Principles, Socialist Bloc, one of the factions into which the old Socialist Party of Chile has split.

There is an excellent, permanent communication between those of our party in exile and those who remain in the country. Inevitably there are differences of opinion with respect to the intensification of struggle . . . But this party does not acknowledge any tactical rupture whatsoever between the act of voting for Comrade Allende and the right to rebel—with all forms of violence including the most acute—against the dictatorship of Pinochet. Whoever cannot see that does not know how to distinguish between concrete historical situations.

Patricio Hales, Communist Party leader

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ister Carlos Briones, is the product of lengthy self-criticism, provoked to some extent by the advent of a stable Socialist government in Spain, a country whose experience in many respects closely parallels that of Chile. It now formally embraces democracy and specifically repudiates Leninism, terrorism, and the violent road to power. As such, it has sundered an alliance with Communism in Chile more than 25 years old.

Two Kinds of Opposition

Historically, Chile has possessed three large political communities more or less equal in size and force—a left, a right, and a center. For many years, the left could not win a national election because when faced with the eventuality of a victorious Socialist-Communist coalition, the center and right always united behind a single candidate. The sole exception was 1970, which explains how Allende managed to squeak through with a few thousand votes, and why he was unable to take his country down the road to socialism without doing violence to its democratic institutions.

This background is necessary to understand the full enormity of the present situation: for the first time, the center, left, and even elements of the right have come together on a single crucial issue—opposition to Pinochet. In fact, of all the parties that now make up the umbrella organization of the opposition, the Democratic Alliance, only Briones' actually opposed the military coup that brought Pinochet to power in the first place. By Chilean standards, the Alliance could even be described as slightly right of center. In any event, the Christian Democrats, the Radicals, the Social Democrats, and the Liberals are not leftist parties in the accepted sense. Outside the Alliance are two small right-wing groups that have supported the government in the past—the National Party and Unión Nacional—but whose leaders today are increasingly critical of the "paper institutionality" of Pinochet's Constitution, and regard the government's formula for a transition as "less a preparation for democratic life than its indefinite postponement."

As in all coalitions, within the Democratic Alliance there are serious differences of opinion, particularly over relations with the Communist Party. Certain aspects of Chilean history make this a more complicated question than it might appear at first glance. Because of its civilized and open political culture, Chile was regarded by the Soviets as a potential showcase for some sort of "Eurocommunism"; hence for years the Chilean party was unremarkable in its conduct, much like its French or Italian counterparts. Indeed, until the very end of the Allende regime, it was a force for restraint and compromise. At the same time, the Communists continue to have strong support in sections of the labor movement, and in the event of elections could probably expect to receive about 15 percent of the vote.

Within the Democratic Alliance, the Socialists favor cooperative relations with the party and its allies in the M.D.P. while the other parties oppose all links to it as long as it espouses violence. During the political opening of 1983-84, Jarpa tended to exploit and deepen these divisions by pressing the Alliance to "define itself" on the Communist issue. This it could not do, not because its constituent parties are not anti-Communist (outside the M.D.P. there is really no sympathy for Communism as a system), but because there is no agreement among democratic forces on the place of the party in any future transition. For instance, it is fairly obvious that the Chilean armed forces—with Pinochet or without him—will not contemplate a legalization of the party in the immediate future, regardless of its public position on violent versus peaceful protest, or revolutionary versus parliamentary roads to power. The Communists themselves have not made matters easier by coyly espousing both views (see box), which both justifies their proscription and at the same time inhibits the democratic opposition from staking out an unambiguous position toward them.

A curious symmetry of needs has developed between the Communists and the Pinochet regime. Both use the other to explain their conduct, and neither has any interest in an orderly return to democracy, where the forces they represent would be in a distinct minority. As Andrés Allamand, leader of the conservative Union Naciónal recently pointed out, the government is playing the Communists' game. It is shutting off debate, participation, and normal party activity, thereby "reducing Chile's political possibilities to false and dangerous disjunction: the perpetuation of the military regime, or the establishment of a Marxist-Leninist dictatorship." As long as the moderate political forces are relegated to the sidelines, he adds, "and as long as they cannot or are not capable of organizing and expressing themselves, there will be no real possibilities of altering the situation."

U.S. Policy Options

United States policy towards Chile has provoked a long, abstract, and sterile foreign policy debate. One "liberal" school, identified with the Carter Administration and its epigones, advocates a combination of public denunciations and sanctions; the "conservative" alternative preferred by its successor rejects these in favor of more discreet pressures and a combination of carrots and sticks, to which someone has attached the rather unfortunate label of "quiet diplomacy." It is not clear that either has much to show in the way of results, except to provide both parties with opportunities to blame one another—rather than General Pinochet—for the situation in Chile.

The Chilean opposition clearly preferred the approach of the Carter Administration, whose posturing raised the morale of its forces and, it is often said, saved lives. In terms of institutional movement towards democracy, however, the Carter policy was at best irrelevant to Chilean developments. Pinochet's rise to prominence and finally to supreme power actually coincided with the Carter years; it was in the last of these, 1980, that he was confirmed in his quasi-legitimate role as "constitutional" president.

Between 1977 and 1980 Chilean diplomats often argued that U.S. policy was actually counterproductive, strengthening the hands of "hardliners" within their government, and making life more difficult for an alleged coterie of moderates who favored a more conciliatory solution to their country's problems. Apparently taking them at their word, the Reagan Administration in 1981 lifted some minor economic sanctions, and voted against the reappointment of a Special Rapporteur for Chile at the United Na-

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tions Commission on Human Rights in Geneva. No corresponding concessions were forthcoming, however; instead, the Chilean government willfully misrepresented the U.S. position to its own people as an unqualified endorsement, and the putative "moderates" have long since departed the scene. Today it is obvious that it is General Pinochet—not the cabinet ministers or state secretaries around him—who determines the direction of Chilean events. The one positive development, the political opening of 1983-84, was a response to local rather than external pressures, however much the State Department and the U.S. Embassy in Santiago might have supported it once underway. Since the imposition of the state of siege in late 1983, there has been a perceptible cooling of relations, and no one now expects the Reagan Administration to lift the arms embargo established during the Carter years, or to resume the training of Chilean officers in the United States, both of which are of immense significance for the armed forces, if not for Pinochet himself.

The United States thus has yet to formulate a clear policy for Chile's future, except to regret (or punish) human rights violations and to express the pious hope that the country will somehow find its way back to democracy, with or without Pinochet. Clearly, we do not want another Nicaragua, where a dictator hung on so long that he exhausted and humiliated all the political alternatives except the one he (and we) feared most. Chileans often take offense at this comparison, but it is not as far-fetched as they imagine: the major difference is that given his country's constitutional tradition, Pinochet has been forced to erect a complicated edifice of legal euphemisms to mask his intentions of remaining dictator for life. Nothing could be more dangerous than to assume that it is best to let matters work themselves out "on their own," since what the Constitution presently holds out for 1989 and beyond is not a transition to democracy but a crisis of legitimacy. If the economic situation has not significantly improved, we can also expect social chaos, upon which the Communists and their allies are well positioned to capitalize.

It may indeed be necessary to accept the likelihood that Pinochet will remain in office to 1989, and focus instead on transforming the nature of the transition, in the process strengthening the Democratic Alliance and depriving it of any temptation to deal, even by indirection, with the M.D.P. One policy objective—already suggested by some of the government's conservative critics in Chile—might be a revision of Article 44 of the Constitution, which presently makes it virtually unalterable. This would make it possible for the opposition to accept the Constitution as at least the basis for discussion and negotiations. Another would be the publication of a law legalizing political parties (except for the Communists, who would probably have to remain proscribed during the first round), and lifting remaining restrictions on radio, television, the press, and universities. Various versions of a statute legalizing the parties have in fact circulated within the government, but Pinochet himself has resisted their promulgation. It is not difficult to see why: as long as there is no real party life in Chile, the Democratic Alliance will be led by aging figures whose political careers pre-date 1973; a new generation of leaders will have no opportunity to emerge. And the revival of party life also holds out the real possibility that the presidential candidate of the junta might actually lose in the 1989 plebiscite, which would act as a splendid incentive for Pinochet to retire to private life.

Prior to 1973, the United States possessed a wide range of capabilities for acting abroad. Since then, many of these instruments have been discarded. The arms embargo, which might prove a useful lever now, was put in place in 1978, and our covert capabilities have long since been truncated, thanks to the work of sanctimonious congressional liberals led by the late Senator Frank Church, who probably never imagined a situation when they might be needed for a cause of which they approved. Even the National Endowment for Democracy, chartered by Congress in 1982, cannot directly assist political parties. At present, the major foreign resources going into Chile—from Western Europe as well as the Soviet bloc—are diverted to the left-most side of the political spectrum.

The one point of leverage which remains is Chile's $18.5 billion foreign debt, one of the largest per capita of any nation in the world, and its continuing need for financing from multilateral institutions like the World Bank and the Inter-American Development Bank. The U.S. Treasury has already helped several times to roll over the Chilean debt, and in all probability its role was useful in compelling General Pinochet to lift the state of siege in June 1985. In the coming months and years, larger maturities will fall due, and each represents an opportunity to apply discreet but significant pressure on the government.

Since the use of debt refinancing for political purposes works at cross-purposes with bureaucratic and other agendas, a conscious decision to do so must be made at the highest levels. The Reagan Administration is particularly well-suited to pursue this, because unlike its predecessor, it is genuinely respected by the Chilean military, the only pressure group capable of forcing Pinochet to change his mind. There is still time. By the 1990s, however, Chile will have lost almost complete touch with its old democratic political culture, and only the extremes will have any vitality. By then, too, we may have a Democratic administration in Washington, in which case—if recent history is any precedent—the emergence of a revolutionary Marxist regime will provoke an orgy of self-flagellation and a fetish for "non-intervention."

Just because Pinochet claims to represent the only alternative to Communism is no reason for others to accept this argument at face value. Such dichotomies doubtless serve to solidify Pinochet's rule in the short run, but because they are highly artificial, they work against all other purposes in Chilean politics, including, incidentally, that of the reemergence of a serious conservative option.

The issue in Chile is not whether the country can be trusted to return to democracy, but whether an open society can be nourished by a system that rests upon force and fear. Pinochet is not the first dictator to think so, but by this point in the 20th century, the United States has had enough unfortunate experiences with other putative allies to know better. At the very least, it should recognize that beneath a surface facade of calm a quiet crisis is brewing in Chile, and take whatever steps it can to forestall what appears to be an almost unavoidable outcome.

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Black America Under The Reagan Administration

A Symposium of Black Conservatives

In his reelection landslide last November, Ronald Reagan won substantial support from almost every group in the country. He was the choice of women and men, young and old, Southerners and Yankees, Protestants and Catholics. He carried a third of the Jewish vote and a remarkable 40 percent or more of the Hispanic. But he was overwhelmingly rejected by black Americans, even though the candidacy of Jesse Jackson had shown how disillusioned blacks were with the conventional leadership of the Democratic party.

"Every major public opinion poll has indicated that black Americans are solidly conservative—on economic as well as social issues," says William Keyes, chairman of BLACKPAC, a conservative political action committee. "But blacks have voted overwhelmingly for liberal candidates in recent elections. If the conservative movement is to succeed and America is to prosper, then we must demonstrate how our programs benefit all Americans—black and white."

In the following symposium, Policy Review *asks six leading black conservatives to assess both the state of black America during the Reagan Administration, and the likely effects of such conservative policy proposals as enterprise zones and the abolition of the minimum wage. The participants are Reverend Edward V. Hill, pastor, Mount Zion Missionary Baptist Church in Los Angeles; Glenn C. Loury, professor of political economy at Harvard's Kennedy School of Government; J.A. Parker, president of the Lincoln Institute for Research and Education Inc.; Joseph Perkins, editorial writer for the* Wall Street Journal; *Clarence Thomas, chairman of the U.S. Equal Employment Opportunity Commission; and Robert Woodson, president of the National Association of Neighborhood Enterprises.*

Karen Portik for *Policy Review*

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Edward V. Hill

Edward V. Hill was raised by foster parents in a log cabin without utilities in Seguin, Texas. The third item on his curriculum vitae reads: "Born again: December 14, 1944." He was 11 years old, and by the age of 17 he had preached to his first congregation. He was ordained as a Baptist minister in 1954, a year before graduating from Prairie View A & M College.

Since 1961, Mr. Hill has been pastor for the 2,000 member Mount Zion Missionary Baptist Church in the Watts section of Los Angeles. The church operates two low-income senior citizens' homes, and Mr. Hill is president of the STEP (Strategies To Elevate People) Foundation, which emphasizes self-help for the poor, and discourages dependency on the government.

Mr. Hill was probably the only person to support both Jesse Jackson and Ronald Reagan in the 1984 campaign—Jackson in the primaries, Reagan in the election. "Jesse Jackson revealed the hypocrisy of liberal Democrats," he says. "Conservatives may not promise as much as liberals, but they keep their promises." Mr. Hill was a speaker at the Republican National Convention.

A close friend of Jerry Falwell, Mr. Hill is a member of the Moral Majority. Mr. Hill and Mr. Falwell have preached before each others' congregations. In response to a recent visit by Mr. Falwell at Mount Zion Church, protesters picketed the church, demanding that Mr. Hill renounce his friendship with Mr. Falwell. He has refused, dismissing the protesters as "Muslims, homosexuals, and abortionists."

Glenn C. Loury

A historic event occurred this year at the National Urban League's 75th Annual Conference: the League invited Glenn C. Loury, a Harvard professor of political economy, to discuss how preferential treatment hinders black progress. In the past, the traditional black leadership has shut out such conservative views, but Mr. Loury's voice is being heard in such forums, as well as in the pages of the *Wall Street Journal*, the *New York Times*, *The Public Interest*, and *The New Republic*.

The 37-year-old Mr. Loury was born and raised in Chicago. He studied mathematics at Northwestern University, and earned his PhD in economics from the Massachusetts Institute of Technology. In 1982, he began teaching at Harvard University, focusing on the problem of racial inequality in the United States. He has been a visiting scholar at Oxford University, Tel Aviv University, and the University of Stockholm.

Though at one time Mr. Loury was a liberal Democrat, he says he moved right because of the failures of liberal social policy and because of liberals' hypocrisy on foreign policy, for example, their apologia for Khmer Rouge atrocities in Cambodia. He is very critical of Jesse Jackson's radical foreign policy.

Often compared in his views with Thomas Sowell of the Hoover Institution, Mr. Loury is also critical of the confrontational approach of some black conservatives towards the civil rights leadership."[A] black critic speaking with the backing of the political and intellectual right bears a difficult burden of showing that he is not a tool of forces hostile to his own people," wrote Mr. Loury in a *Wall Street Journal* op-ed criticizing Clarence Pendleton. Mr. Loury's success has been to establish a dialogue with liberals.

Joseph Perkins

Wall Street Journal editorial page writer Joseph Perkins predicts the rise of "a new breed of black leaders, more cerebral and administrative than instinctive and evangelical." A 26-year-old graduate of Howard University, Mr. Perkins is in the forefront of that new generation.

Mr. Perkins is a Washington D.C. native, the son of a businessman. Until entering Howard University in 1978, he had not been in a "black environment." "I went to Howard because I felt a sense of obligation,"

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he explains. "I felt it would profit the other students to be exposed to my [conservative] views." But it was at a Howard graduation when George Bush was viciously booed by the students that Mr. Perkins realized the depth of those views. "I liked Bush, but I did not think he was all that conservative," he recalls.

A journalism major, Mr. Perkins was managing editor of the *Hilltop,* Howard's student newspaper. In his editorials, he supported the U.S. invasion of Grenada, argued for higher academic standards at Howard, and defended Martin Luther King Jr. against attacks from the right and from Communists.

Mr. Perkins has written for the *Washington Post, National Journal,* the *Baltimore Sun,* and the *Cleveland Plain Dealer.* He is planning to write a George Gilder-type book on black success stories. "There is a reason for the success of Howard students," says Mr. Perkins. "Their stories need to be studied and documented."

J.A. Parker

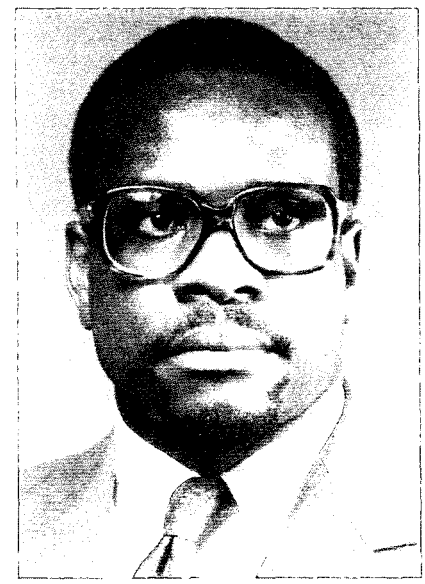
"I'm conservative because I was poor," says J.A. Parker, the founder and president of the Lincoln Institute for Research and Education. "I learned early that there is no free lunch, no Santa Claus, no Easter Bunny." His father was a short order chef, his mother a maid. When he was nine, he began working as a step scrubber and paper boy. He graduated from the Philadelphia public school system in 1954 by taking night courses, and a year later joined the Delaware County Young Republicans. He has been involved with the conservative movement ever since.

At a time when civil rights dominated the black agenda, Mr. Parker was at the forefront of the conservative movement. Active in the draft-Goldwater campaign in 1959, he joined the Intercollegiate Studies Institute the same year, and in 1965 became the first black to serve on the national board of the Young Americans for Freedom. "I had no intention of joining the civil rights movement," he says. "I was interested in a color-blind society, not something exclusively ethnic-oriented."

In 1970, Mr. Parker moved to Washington D.C., and eight years later founded the Lincoln Institute, a conservative think tank that concentrates on a broad range of issues from a black perspective. He is also editor of the *Lincoln Review,* a quarterly journal.

Mr. Parker is deeply involved in many Washington charitable organizations: president of the Kiwanis Club, president of the Columbia Lighthouse for the Blind, chairman of the Davis Memorial Goodwill Industries, chairman of the Salvation Army Advisory Board, and member of the Corporate Board of the D.C. Children's Hospital, the White House/Private Sector Drug Abuse Awareness Program, and the Special Gifts Committee of the Cancer Society, etc. "These private organizations make everything work," says Mr. Parker. He faults conservatives for not getting sufficiently involved in local charities.

Mr. Parker chaired the Reagan transition committee at the Equal Employment Opportunity Commission, but declined to take a government position, believing that he would be more effective as an independent critic. He denies the obvious Horatio Alger analogy. "I have not achieved anything out of the ordinary, just proved a few points," he says.



Clarence Thomas

Clarence Thomas, chairman of the Equal Employment Opportunity Commission (E.E.O.C.), is no stranger to racism. He was born in Savannah, Georgia, in the era of segregation and Jim Crow. His father abandoned the family, so he was raised by his grandfather, a small-time farmer of corn and sugar cane. His grandfather pushed him to study hard and to persevere in the face of adversity. He spent four years in the Seminary of the Isle of Hope in Savannah, but left because of the church's acquiescence to segregation. "Dogs were being sicced on blacks . . . and the church was focusing on what songs to play at services," he says. He graduated from Holy Cross College in 1971, and from Yale Law School three years later.

Though involved with the civil rights movement, Mr. Thomas was repelled by its radicalization and its flirtation with "socialism and other gibberish." When he arrived in Washington in 1979, he worked for Republican Senator John C. Danforth of Missouri. He then worked at the Department of Education as Assistant Secretary for Civil Rights. In 1982, President Reagan appointed him chairman of the E.E.O.C. His term expires in 1986.

Mr. Thomas sees nothing special about the relationship between blacks and the Democratic Party. "In my youth it was the party of

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power," which enforced segregation, he says. Rather, the key to black progress must come from within the black community. "We have drifted from our roots as a result of all these relativist philosophies," says Mr. Thomas. "But my unlettered grandfather knew the answer: study hard, work to improve yourself, and always do what's right."

Robert Woodson

"During the 1960s, people called me a black nationalist or separatist, but today they call me a conservative," says Robert L. Woodson, president of the National Center for Neighborhood Enterprise. As chairman of the Council for a Black Economic Agenda, he met with President Reagan last January; many of his market-oriented proposals for helping the poor were included in the President's 1985 State of the Union address.

Born in 1937 in Philadelphia, Mr. Woodson was raised by his mother, a factory worker. He dropped out of high school, but completed his education while in the Air Force, and spent three years in the U.S. space program. He attended Cheyney State College, and won a full scholarship to study social work at the University of Pennsylvania.

Active in the civil rights movement, Mr. Woodson was head of the NAACP in Westchester, Pennsylvania. But in 1966 he broke with the civil rights movement on the issue of forced busing. "The issue was black empowerment, not integration, which should be an individual matter, not one of public policy," he says.

Though Mr. Woodson worked at the National Urban League in the 1970s, he was rapidly moving in a very different direction from the League. In 1979, he became an adjunct fellow at the American Enterprise Institute for Public Policy Research. He published two books, focusing on individuals and families that had successfully raised themselves from poverty. Mr. Woodson is very critical of the social welfare lobby. He points out that 70 to 80 percent of all money intended for the poor goes into the pockets of middle-class social service bureaucrats. "That's outrageous," he says. "Poor people need outside specialists on tap, but not on top,"

Mr. Woodson believes that conservatives can capture black support, but only if they realize that the civil rights issue for blacks is equivalent to Israel for the Jews, and abortion for the Moral Majority. Currently Mr. Woodson is working on a book, *It's OK to Win: An Agenda for Black Progress*, including a 20-point test that will show blacks where their political loyalties belong.

Are black Americans better off than they were four years ago?

Joseph Perkins: A plethora of stories have appeared in newspapers informing us that blacks are much worse off than they were five years ago. Many of these stories were precipitated by dubious studies and reports produced by assorted left-leaning think tanks and public policy organizations. But the assertions that blacks are worse off just doesn't jibe with the perceptions of black Americans themselves. A 1984 survey by the Joint Center for Policy Studies, a black Washington-based think tank (which will never be mistaken for The Heritage Foundation), indicated that more than half of black Americans felt their families were the same or better off financially than five years before, and that more than two-thirds of blacks are the same or better off than five years ago.

I don't believe this would have been the case if Jimmy Carter had wrested a second term as President, primarily because I don't think he was as capable as Ronald Reagan of riding out the recession of 1980-81 (which Carter ushered in), and of bringing about the recovery and economic growth of the last three years. Many blacks fared badly during the recession, but then, many bounced back during the recovery.

J.A. Parker: Black-owned industrial enterprises increased in value from $473 million in 1973 to $2.2 billion a decade later. The number of blacks in the civilian work force rose by 31 per cent and income for black families increased by 6.9 percent to $19,620. The number of blacks moving to the suburbs has steadily increased. In 1950, there were 1.7 million. In 1960, 2.5 million. In 1970, 3.6 million and in 1980, 6.2 million. By 1984, more than 23 per cent of blacks were living in suburbs. *Black Enterprise* magazine reports that black-owned businesses increased in value by 24 per cent between 1980 and 1984.

President Reagan has stimulated economic growth, both within the black community and in American society as a whole, by cutting inflation and cutting taxes, as well as setting a new tone that has caused blacks and others to become more self-reliant and to depend less on the federal government for cradle-to-grave care.

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Robert Woodson: Middle-class blacks are perhaps better off, as we see the gap narrowing between college-educated blacks and whites in two-parent households. But conditions have not improved for low-income blacks. I support many administration policies and programs, but as Jack Kemp has said, Republicans have a majority philosophy and minority behavior. All the administration has done for low-income people is to reduce the budget. Yet, the big issue is not whether we increase or reduce the budget, it is how to be more creative and innovative in policy. And under the Reagan Administration, the same policies are being run by the same bureaucrats as before. A lot of Republicans came to Washington expecting to find a cesspool. Instead they found a hot tub, and they have been enjoying government-as-usual.

Clarence Thomas: The economy is great for blacks who have been fortunate enough to have used the educational and preparation opportunities available in this society. The middle- and upper-middle-class blacks have made tremendous improvements over the past 20 years. But I don't think anyone can say that life has improved for underclass blacks in this country. I think they are just going backwards. There is a tremendous regression that did not start with this administration.

Glenn Loury: On the whole, yes, although not greatly. The circumstances of the middle class, the better educated segment of the community, have continued to improve as they have since the 1960s. The circumstances of the poorer strata of the community, though, continue to be problematic. The fairly strong economic recovery of the last two years has benefited black Americans broadly, as has been the case throughout the post-World War II era whenever the economy has recovered. Blacks have gained, but nothing great has happened in the last four or five years.

E. V. Hill: No. We have been on the downgrade for the last 10 years. We had made quite a bit of improvement in the previous 10 years because the poverty programs of Lyndon Johnson brought many Negro people to positions and budgets and powers that we had not had before. These positions were, by nature, temporary.

The poverty program was not designed to be eternal, even though some of the beneficiaries made that interpretation. Soon it became clear even to many liberals that the financial growth of these programs could not continue—Congress began to target them like every other program—and that the programs were really not producing the kinds of jobs and and grass-roots economic developments for which America is known.

It was not a free enterprise venture. It was a socialist approach in a capitalist country. This being so, cutbacks started about 10 years ago. Some of the cutbacks were under President Nixon and President Ford, and a whole lot of them were under President Carter. In fact, a lot of the cutbacks that people were cursing Reagan for were really planned by the Carter Administration.

My community is caught between the dying out of the poverty program approach and emerging economic development, free enterprise philosophy. Those who became involved in grants and programs are presently in a position of pain. But I believe it is birth pain, because we are at the embryonic stage of private sector economic development.

Which policy changes by the Reagan Administration have been most important in affecting the lives of black Americans?

Glenn Loury: The administration's economic policy, to the extent that it deserves credit for the fairly strong recovery that we are enjoying now, has had a positive effect. On the other hand, we have some serious structural problems in the public finance side of the national economy, including fairly large budget deficits, that don't necessarily augur well for our long-term prospects. If those problems are not solved, one has to worry that the macro economy will suffer some setbacks in the future and that is not going to be good for blacks.

The Omnibus Budget Reconciliation Act of 1981 led to a relative reduction in social spending. Black Americans are disproportionate recipients of those kinds of benefits, and so they have been disproportionate losers as a result of the spending cuts. That is a short-run calculation.

In the longer term, you can see blacks as gaining if you consider the problem of dependency on the public fisc to itself be a negative indicator of black status, and if you think that some of the administration's changes in social programs will ultimately discourage dependency in the recipient population.

The civil rights area is a matter of much dispute. My own judgment is that the policies of preferential treatment which the Reagan Justice Department wants to turn back are not in the long-term best interest of the black population. It will sound paradoxical to many people that affirmative action is not in the interest of blacks. Clearly, if you give well-paying jobs to people who didn't have them, they gain in some sense. But in the longer term, preferential treatment is inconsistent with the attainment of fully equal status in society as independent contributors respected for their contribution by their fellow citizens.

E.V. Hill: Negatively, his extreme approach to cutting back on social programs. Positively, the administration has turned the attention of people away from social programs to grass root creative business and selective patronage.

The Negro has a purchasing power of $150 billion to $180 billion. The Reagan policies are going to force us now to become selective as to what we spend that money on. That money is going to have to turn over four or five times in the community rather than none.

The positive aspect of the cutbacks is that they will force us to develop economic strength so that we will survive no

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matter which political party is in power. Other ethnic groups, like the Orientals and the Jewish community, don't see-saw up and down too quickly because of a change in administration. This is because they have their own policy of economic development.

Clarence Thomas: The economic policies that have brought the economy out of the doldrums have been very helpful for people who are in a position to benefit, whatever their race, color, or creed. The tide has been rising, thanks to the President, but you still have to have a boat in the water if you are going to rise.

From a perception standpoint, the discussions about social programs and civil rights—or, more accurately, about quotas and timetables—have had a strong impact about the way blacks feel about their place in this country. Many of the perceptions are ludicrous, but the perceptions are so strong that they take on a reality of their own.

Has the Reagan Administration made any significant changes in the safety net?

E.V. Hill: I am an advocate of less restraint on business, less taxation of business, less red tape and bureaucracy.

It was important to cut back the socialistic approach and put into place a long-term program that would ultimately develop strong businesses and industries that would in turn address the unemployment problem. But we also need an in-the-meantime program.

One in-the-meantime program I favor is workfare. We have dirty hospitals, we have weed-infested freeways and lots and sidewalks, we have needs in libraries and other institutions that aren't covered by budget. To do some of the things that need to be done, I think we can utilize 75 percent of the people who are receiving some kind of welfare check, even if for no more than 10 hours a week.

The purpose of this is not just to save money. It is to encourage the welfare recipient to become educated and qualified for better work. Many people are very fearful of moving from where they are to where they ought to be. Requiring a welfare recipient to work 10 hours or 20 good hours a week might just be the encouragement he or she needs.

Conservatives don't always look with favor on these "in-the-meantime" programs, because they have their eyes on the ultimate solution to the problem. But there has to be an in-the-meantime. We want most, if not all, of the jobs to come from industry and business, but in the meantime, we are going to have to create something for these unemployed youths.

Clarence Thomas: We are really in a Catch-22 situation with our social programs. There are some people who are suffering in this society, people who simply cannot do for themselves, and they need help. And our social policies create a dependency among people who *can* do for themselves, people who have their lives ahead of them, young families starting up. The social policies foster an attitude that is not conducive to progress, and are inconsistent with encouraging people to prepare themselves to take advantage of available opportunities. If you are caught up in the welfare or poverty cycle, there is no way that you are going to be able to take advantage of our growing economy.

The President's goal with the safety net is simply to make sure that those who absolutely need help get help. You can say that the level should be higher or lower. But the idea was simply to see to it that those who need these programs benefit and that those who don't need them begin to make the effort to sustain themselves in a growing economy.

J.A. Parker: The Reagan Administration, to date, has failed to make major changes that are needed. It is not the role of government at any level—local, state, or federal—to provide food, clothing, and housing. There are more than enough independent-sector entities to address every problem of this kind, beginning with the synagogues, the churches, and the long list of groups like the Salvation Army, the YMCAs and YWCAs, and Goodwill Industries. They can do it more effectively than government, which has to take cash from taxpayers, charge a huge service fee, and then transfer it back to the people in the communities where the money is taken from.

For example, the Salvation Army sleeps some 50,000 people every night. Imagine what would happen if the synagogues and churches of our nation would do their part. There wouldn't be any so-called homeless problem. And if synagogues and churches can't or don't want to provide blankets and soup and soap along with salvation and spiritual fulfillment, then they ought to be out of business.

Robert Woodson: The administration has tried to target more of the funds to the truly needy. But there has not yet been the revolution that I hoped for. There has not yet been an aggressive push for vouchers in education, human service delivery, and job training. A report by the Community Service Corporation of New York showed that of $14.8 billion spent annually to address the needs of New York's poor, 74 percent goes to the middle-class service industry.

I say give money directly to poor people. Let them make choices. I think it's the responsibility of government to help the old, the blind, the disabled, and the needy. But the question is how government should discharge the responsibility. Programs should empower people to make decisions for themselves, not to be dependent forever. What we need is a more market-oriented delivery system for human services, so that people who administer programs are accountable to those who are supposed to be served by them.

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Has the Reagan Administration been as vigilant as its predecessors in enforcing anti-discrimination laws?

Clarence Thomas: Absolutely yes! At the Equal Opportunity Commission, we have been more aggressive. We don't play games by confusing a social agenda with anti-discrimination laws. Anti-discrimination means anti-discrimination. We can't go out tomorrow morning and make everybody equal. We are not gods, we aren't demi-gods, although some people pretend to be such in this society.

But we have a law that says that you cannot discriminate in employment on the basis of certain characteristics: race, sex, color, national origin, religion. We enforce that law. Where the debate and the rhetoric get carried away is not about enforcement of anti-discrimination laws, but about whether to have quotas, and whether to compensate certain groups, including my own race, for what has happened in the past. I don't think you could ever compensate our race for what has happened. I think we are just wasting a lot of energy.

Robert Woodson: No. The Achilles heel of the Reagan Administration is its civil rights record. You have the gaffe over Bob Jones University, you have the Voting Rights Act, the linking of Martin Luther King to some question about Communist affiliation. The symbolism there was terrible. But I don't think that it is indicative of how President Reagan thinks on the issue. I believe that he is a fair-minded man. But this is the only administration that I can remember where civil rights policies are not formulated at the White House. They are formulated at the Justice Department.

The administration took one position on Bob Jones University and some of these other initiatives, and then there was a public outcry and the policy was reversed. Now you've got Brad Reynolds and the Justice Department taking one position on affirmative action and Labor Secretary William Brock taking another. This administration's civil rights stance cannot simply be a reaction to what other people propose. It must begin to take the moral high ground. Congressmen Newt Gingrich and Vin Weber are right when they say that the Republicans have to come up with an affirmative position of what they stand for on civil rights.

Joseph Perkins: In cases of demonstrable discrimination, where federal intervention is called for, the Reagan Administration has not shrunk from its responsibility. Last year, for instance, the Justice Department charged owners and operators of apartment complexes in several states with violations of federal fair housing laws. A couple of summers ago, Justice filed a discrimination suit against the Suffolk County, NY police department, charging that there were no blacks or Hispanics on the force above the rank of sergeant, and no women above the rank of detective. And three years ago, Justice took the Chicago City Council to task for violating the Voting Rights Act in the way it redrew the boundaries of the city's wards.

Those discrimination suits run the gamut—from housing to employment to voting. It seems to me that the administration has demonstrated its willingness to go after discriminators. Certainly, the Reagan Administration brings a different approach to fighting discrimination. We no longer have an activist Justice Department seeking discrimination where none exists. But blacks and other minorities can still look to the federal government for relief in cases of demonstrable discrimination.

E.V. Hill: Yes. Sometimes it looks like the administration isn't as vigilant, because it hasn't been cranking out new laws like the government did in the 60s, and because it has decided that some laws on the books shouldn't have been put there in the first place. But when you look at the actual number of cases brought against those who have proven to be discriminatory, then the Reagan record looks better than the Carter Administration's.

Glenn Loury: I would have to say no, but I say that with some hesitation. The civil rights activists outside the government would be unequivocal about their no, and I am a bit equivocal, because there are differences about what the enforcement of civil rights laws means. If, by civil rights laws, one means the full panoply of activities including affirmative action, with the government's enforcement being understood as a kind of advocacy for minorities, then it is quite clear that the administration as a philosophical matter has chosen not to enforce certain laws as vigilantly.

For example, in the Office of Federal Contract Compliance Programs in the Labor Department, there has been a change in the regulations: timetables for hiring of minorities used to be based on 100 percent of the utilization rates that were considered appropriate for the local labor market, and now they are based on 80 percent. Is that necessarily bad? My own view is that it is not, that a weaning away of blacks' dependence on preferential treatment is a good thing.

Now, if by civil rights enforcement, one means has Clarence Thomas at the Equal Employment Opportunity Commission been as vigilant in prosecuting cases under Title VII of the Civil Rights Act of 1964, then as best I can determine, the answer is yes. Has the Justice Department been as interested in bringing lawsuits against people who have been discriminating in the direct sense of that term? Again, as far as I can tell, yes.

J.A. Parker: Oh yes, even more so. They are vigilant in enforcing laws so long as they are on the books. But at the same time they are taking the burden of proof off the employer in discrimination cases, and putting it back on the plaintiff, where it belongs. In accordance with the original Equal Employment Opportunity Act, the administration is now reviewing individual cases. This is how it should be, since each case is essentially different, and because people should be treated as individuals. My view is that class action suits have been a boondoggle for civil rights and labor lawyers.

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Does the Reagan Administration apply a color-blind approach to civil rights policy?

J.A. Parker: The law is clear and straightforward. There shall be no discrimination and men and women should be judged as individuals. The elected representatives of the people in Congress have never passed a law calling for affirmative action or racial quotas. These policies have been implemented through executive orders.

I have always urged President Reagan to rescind Executive Order 11246. Thus far, the Administration has fallen short of the goal of creating the color-blind society it advocates. This has been its intention. Yet, in terms of appointments and other political choices, race has crept into many decisions.

The administration, for example, went far beyond the call of duty in seeking funds for black colleges which are, after all, racially exclusive. Not only did this win the President not one extra vote, but by taking this action he took the responsibility for black college and university support from the alumni of those schools, many of them affluent professionals. I believe that no college or university should be receiving federal aid, and that black colleges should be treated no differently from others.

Glenn Loury: With some exceptions, the Reagan Administration has been pushing for a color-blind approach to civil rights law, at least philosophically. There are notable exceptions: the Office of Civil Rights in the Department of Education, for example, has not always followed this philosophy. On the whole, color-blind ideas have animated the administration's civil rights policy, but one of the most difficult challenges in government is to translate ideas into action in the face of a sluggish bureaucracy. Indeed, one of the great lessons of the Reagan Administration broadly is that philosophical ardor is not necessarily sufficient to turn the momentum of a public policy around.

Robert Woodson: I don't know if you can have a color-blind society. I am against quotas, but I support affirmative action. I am opposed to busing, but I think that affirmative steps are needed to eradicate the problem of racial discrimination.

I'm not opposed to preferential treatment—I don't see anything wrong with colleges, for example, giving preferential treatment to the offspring of faculty or to students from different geographical regions. But rather than give it on the basis of race, I think preferential treatment should be given to the offspring of people in poverty who have struggled to provide their children an education. It isn't fair to favor the black son of a doctor over the white son of a coal miner, for example.

E.V. Hill: I think that the Reagan Administration's policy is color-blind. I think that it is a possible approach, and I think that it is desirable. But in the meantime, we have got to deal with 300 years of slavery and 100 years of discrimination which have put the black man in a definite position of being behind.

If in this land, from its beginning until now, the color-blind approach had been applied, we would almost be at the end of our fight. But this nation did not use the color-blind approach, it used color for persecution and deprivation for a long period of time. We must work with the ideal, but we must also look strongly at whether this ideal is a real experience in the lives of those of us who have been discriminated against and enslaved for many years.

Where there has been deprivation, there must be compensation. People of ebony color received a lousy deal. So the color-blind philosophy has to be combined with compassion for those who have suffered deprivation.

Clarence Thomas: I don't think this society has ever been color-blind. I grew up in Savannah, Georgia under segregation. It wasn't color-blind and America is not color-blind today. You are not color-blind when you choose your wife. Code words like "color-blind" aren't all that useful. We have a job to enforce anti-discrimination laws. They do not mention what race. They do not mention which religion, which sex, which color, which creed. They do not say to prefer a Catholic over a Jew or an Episcopalian over a Mormon, or anything like that. The laws say "Do not discriminate."

Why did President Reagan receive only nine percent of the black vote in his reelection?

E.V. Hill: The present leadership in our community is in the hands of the Democratic Party. Almost all Negro elected officials are financed, for the most part, by the Democratic Party. And their responsibility is to deliver the Negro vote. Our community seldom discusses which candidates are right or wrong, good or bad; there is just a great push to support the Democratic Party, which has supposedly been our friend. President Reagan's reelection was opposed by all Negro elected officials with their budgets, all Negro newspaper editorials, and all civil rights leaders, and that left only a few of us supporting him.

We had no staff, no campaign funds, and very little attention from the hierarchy of the Republican Party. The liberal Democrats and Negro leaders explained us away as Uncle Toms, fat cats who have arrived and don't care anything about the poor man. So the miracle is that we got nine percent of the vote.

Getting more blacks to vote Republican is a long uphill

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fight. But I project 25 percent black support in the next 10 years. It is going to be due to the constant exposure of the hypocrisy of the Democratic Party as exhibited in the Jesse Jackson race for President.

No man of any color has paid his dues more to the liberal Democrats than has Jesse Jackson. Yet I don't know of any Democratic governor, or any Democratic senator or any liberal Democratic white officeholders of any stature who endorsed him. Second, I think in the next 10 years, 25 percent of us are going to be in the economic bracket where it makes sense to be a Republican.

Robert Woodson: Republicans wrote off the black vote and did very little to campaign for it. I think that Reagan could have established a firm beachhead among black voters if his administration had pursued some of its policies dealing with public housing, child care, and education vouchers earlier, and then gone directly to low-income groups with a message based on concrete programs. Now that the administration is beginning to move on major reforms in areas like public housing, I think Reagan can make a lot of inroads in the black community. But he has to take the message directly; he cannot rely on the traditional black leadership.

Joseph Perkins: I think it's a wonder that President Reagan managed to garner nine percent of the black vote, what with the old-line black leadership's concerted effort to deny him even that portion of the vote. We must remember that the black leadership—preponderantly liberal and Democratic—had been mobilizing against the conservative Republican President since he first ascended to office in 1980.

If blacks had voted according to their perception of how their race had fared during Reagan's first term, the President would have received half to two-thirds of black votes. But the doomsaying black leadership kept telling black voters that, notwithstanding their personal perceptions, they were worse off under President Reagan. So, out of loyalty to an undeserving black leadership, black voters threw their votes away on a hapless candidate.

Glenn Loury: Why that is the case is not at all clear to me. In part, the implacable opposition to President Reagan among the leadership in the black community exerted some influence on their constituents. The Reagan Administration was characterized as an enormous evil that was turning back the clock, that was racist and insensitive to the poor. And certainly this perception of Reagan influenced many in the black community.

There is an interesting contrast here. The majority of women voted for the President, even though almost all active women's organizations opposed him. But the vast majority of blacks went along with their leadership. Because of survival instincts that come out of the legacy of historical oppression, the black community listens to the black leadership when it says, "Here is an enemy who is not on our side."

I am not sure that the President could have gotten much more black support, no matter what he did. And though I am somewhat dismayed at the fact, he might have lost some white support if he had striven much more aggressively to get black support.

At the same time, it is important to recognize that the black community is not monolithic, and contains a good deal of support for conservative ideas, especially on abortion, crime (the victimization rates among blacks are very high), and even in international affairs. We have to remember that the black community is basically, within a couple of generations, a southern population; blacks have always had a strong interest in military service and, like many working people in this country, they have been instinctively patriotic.

So it might be possible to win more black support by going over the heads of the leadership and appealing directly to these instinctive sentiments among blacks. That kind of aggressive pursuit of the black vote did not occur last year. But I certainly hope that people looking ahead to the 1988 campaign are considering it seriously.

J.A. Parker: Because he didn't campaign on the issues. This was in sharp contrast to Jesse Helms, who received 19 percent of the black vote in the rural areas of North Carolina, and 13 percent overall, compared with two percent in his last election. Helms talked about the issues, about abortion, crime, defense, prayer in schools, and he said the same thing to black audiences that he said to whites. If blacks are as conservative as surveys show, then Reagan had blacks on his side on many issues. If he is the world's greatest communicator, then he had the opportunity to articulate a close relationship with the black community and possibly get as much as 25 to 40 percent of the black vote.

Clarence Thomas: The perceptions against the President are very strong. I think these hostilities were more detrimental to blacks than they were to the President's ability to get reelected. I feel very strongly that blacks should be in both parties and be a part of the political process like all the other groups. Right now, we are just locked into the Democratic Party.

Certainly the administration made some mistakes. A lot of us were really depressed over that Bob Jones fiasco, which we knew would be trotted out ad nauseam after it happened. We knew that the appearance of what we were trying to do with the Voting Rights Act would be trotted out. Those kinds of things cause problems. Once the administration got the reputation of being anti-civil rights, it was hard to refute, regardless of the facts.

We also have to recognize that over the past two decades or so, it has been the view of most black Americans that a strong involvement by the national government in the affairs of state and local governments and the private sector, has resulted in benefit to blacks. It was felt that the national government was good, and the more involvement the better, because the states didn't do what was right and businesses didn't do what was right. We felt that way, I know, in Savannah, Georgia, where I grew up.

It was the federal government that got rid of Jim Crow laws, segregation, vagrancy laws, separate schools, and all those rules that said blacks couldn't walk across the park or go to the library. And now you have an administration

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that says no more big government, and we are seeing a removal of what blacks thought was the champion of the people.

So I think that we who are Republicans have to do better explaining that the national government was and is one of the major culprits in the problems of black Americans, and that an awful lot that the national government has done in the name of minorities wasn't so great. We have to show that pouring more and more money into certain programs didn't help, and may have hurt.

What white conservative politicians have been more successful in winning black support?

Joseph Perkins: Conservative white politicians such as Representatives Jack Kemp, Newt Gingrich, and Robert Livingston, and Senator Strom Thurmond have been successful in winning black support because they have bypassed the old guard black leadership and taken their cases directly to their black constituency. These elected officials have found that blacks are willing to give their conservative ideas a fair hearing.

J.A. Parker: Several white politicians have been more successful in winning black votes, especially Congressmen Mickey Edwards, Bob Livingston, and Ed Bethune. Mickey Edwards has always received a large share of the black vote in Oklahoma City. He makes a point of aggressively going out and making sure he knows all his constituents—black and white—and that they know him. He never appears stand-offish. He forthrightly lets constituents know when he disagrees with their views, and they respect that. The name of the game is still making friends and influencing people.

E.V. Hill: George Bush. The Negroes in Texas, his own state, give him a good recommendation; they say he is a good man. And that is how the word gets around.

Robert Woodson: Jack Kemp often receives standing ovations from groups of blacks who were suspicious of him at the beginning of his speech. Because he talks about urban policy, he talks about opportunity, he talks about fairness. So do Gingrich and Weber. When John Heinz first ran for the Senate in Pennsylvania, he got the highest black vote of any Republican in the country, even though he ran against a man, Congressman Green of Philadelphia, who had a 100 percent civil rights voting record.

How? John Heinz campaigned in the black community, he introduced himself, he appeared on television where he answered questions from black youth. Heinz aggressively campaigned on issues that were important, and the day after he was elected Senator, he came back to the community unannounced and sat down in some of those kitchens to thank the people there and let them know his staff was available to them. Governor Thornburgh followed in the path of Heinz and also became popular among blacks.

It is in the black community's interest to have more political competition for its votes. But very few people do the outreach. Jesse Helms received 13 percent of the black vote this last election, making it possible for him to be reelected in North Carolina. Why? Because he reached out. Low income blacks are less ideological than most people and more practical. They want to know what concrete solutions you have to their problems. And the politician that speaks to these concerns will get their vote.

Clarence Thomas: Senator Mack Mattingly does a good job. Some of the congressmen in the Conservative Opportunity Society like Newt Gingrich are attempting to be sensitive to the needs of blacks. They recognize that it is important for conservatives not to be so negative in everything we say about blacks. We talk so much about how we are against quotas that our message doesn't get through.

There is an entire universe out there that we should be looking at, in terms of education and training, but that is being ignored amidst the rhetoric in favor of applying a useless, if not harmful, band-aid called quotas to a very complex problem that begins with the education of minority children. It is important that black audiences feel that you are familiar with their problems and that you know all the difficulties people have just being black.

Do you favor the establishment of enterprise zones in inner cities?

Joseph Perkins: It has been argued in some quarters that enterprise zones' tax incentives would deprive the federal treasury of a great amount of revenue. But what income is the government reaping from these economic disaster areas now? Enterprise zones would bring the federal treasury some revenue at least, as well as spur capital formation in moribund inner cities, and pare unemployment in these areas.

I think it is significant that the enterprise zone concept has drawn broadbased support from conservatives and liberals alike. When Jack Kemp and Robert Garcia introduced their enterprise zone bill two years ago, it attracted more than 230 co-sponsors in the House. Hopefully, Congress will see fit to pass enterprise zone legislation in the not too distant future.

J.A. Parker: No. They involve too much government participation at all levels. They involve too many additional tax credits and incentives. Those sorts of things shouldn't be there in the first place.

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I also don't think enterprise zones would make much difference in inner cities. If you want to attract business to these areas, it is much more important to stop the black-on-black crime. You can't be successful in business unless you have insurance, and now there is so much theft and window-smashing and holdups that you can't get insurance in many of these areas.

Glenn Loury: Yes. I don't know if they would make much of a difference. But both my intuitions and instincts as an economist, and the evidence available so far from states that have implemented enterprise zones schemes, suggest that they might. It is certainly worth a try.

Clarence Thomas: Enterprise zones are a good start, but there is a lot more that has to be done. The first priority is to control the crime. The sections where the poorest people live aren't really livable. If people can't go to school, or rear their families, or go to church without being mugged, how much progress can you expect in a community? Would you do business in a community that looks like an armed camp, where the only people who inhabit the streets after dark are the criminals?

There were lots of black businesses before enterprise zones, even in segregation. My grandfather was a businessman. But blacks cannot stay in business if they are robbed every two minutes, or if they are mugged, or if customers are mugged going in and out of the establishment, or if people are hanging out selling drugs in front of it. If you want to encourage business in these areas, then stopping crime has got to be at the top of the list.

E.V. Hill: Yes. Tax incentives based on the involvement in the immediate community would help unemployment, and would also be inspirational. Four months ago, there were three bad looking houses across the street. Our church owns the one in the center. We remodeled and painted it, and now the houses on the left and right have also been remodeled and painted. The enterprise zone would have a similar ripple effect. If you get something good and positive started in the community, other positive things follow.

Robert Woodson: Yes. But we also have to institute policies that increase the availability of risk capital. Simply removing regulatory barriers and offering tax incentives will not attract business. Businesses don't make relocation decisions based only on taxes. Some will even move to higher tax areas if the municipal services are better. Reducing crime is essential if areas are to benefit from enterprise zones. So I would offer incentives for grass-roots organizations in enterprise zones to play a greater role in reducing crime.

Do you favor abolition of the minimum wage?

Glenn Loury: The minimum wage is such an important symbolic issue to working people that abolition would be too radical. But I do favor changes that would permit hard-to-employ and low-skilled workers to take employment at less than the adult minimum wage. The current bill for summer employment of teens at less than the minimum seems to me to be quite sensible and worth doing.

J.A. Parker: I strongly favor its abolition. I am not certain it would make a dramatic change in the teenage unemployment rate. The concept [of a minimum wage] is morally wrong. Individuals should negotiate their own individual salaries with their own employers. If the individual employee has the opportunity, instead of hiding behind a wall of other employees or job descriptions, he will bring more pride to his job and will see himself as on an equal footing with his employer—to the extent the employer and employee need each other.

Clarence Thomas: Walter Williams and Thomas Sowell convinced me some time ago that there is a direct correlation between increases in the minimum wage and expulsion of black teenagers—the least desirable people in the job market in terms of education and experience. I never would have had my first job if I had to make the minimum wage, but the benefits of the job were more than just the salary: getting up, going to work, working hard, doing a good job, not destroying my boss's equipment, just being responsible. Even the black mayors recognize that the minimum wage is too high for black teenagers, that they are priced out of the market.

Joseph Perkins: The minimum wage should be abolished because it effectively prices underskilled workers, particularly teenagers, out of the labor market. I think the minimum wage is especially injurious to black youth, who have a difficult time as it is (what with many suffering from inadequate schooling, a lack of marketable skills, etc.) gaining entry into the workforce.

I'm fully behind the administration's proposed "youth employment opportunity wage" at $2.50 an hour. Half of employers surveyed by the U.S. Chamber of Commerce said they would hire teenagers at that wage (as opposed to the current minimum wage of $3.35 an hour), and Labor Secretary Bill Brock estimates that some 400,000 jobs would open up for teenagers with the lower wage. Even the National Conference of Black Mayors has gotten behind the youth opportunity wage, reasoning, in the words of Washington Mayor Marion Barry, that "a job paying $2.50 an hour beats no job at all."

Robert Woodson: We need to experiment here, but I don't think that reducing the minimum wage will change the face of the employment picture. Wage rates are not the only inhibitor to work. Attitudes about work and lack of work experience are probably more important. A tax credit for

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employers who hired and trained unemployed people would do as much as lowering the minimum wage.

E.V. Hill: For youth, in a hurry. We need the opportunity to employ and negotiate employment with youth at whatever price we can get it. I do not believe that the burden of having food on plates should be on the backs of the youth.

Money for youth should be money they can spend on things that Mamma won't get them. So, if a boy can make a deal to cut my back yard for $1.00, that gets him off the streets, it gives him the experience of work, and it has got him on the ladder. When you're talking about youth, you're talking about more than money. You're talking about experience and opportunity.

Do you favor selling public housing to tenants?

Robert Woodson: Yes, under certain pre-conditions. I don't favor the immediate, wholesale selling off of stock. The units should be modernized. The residents should have demonstrated that they can successfully manage a housing project for a number of years. Once tenants have demonstrated this, then ownership should be the next step. It is a very creative approach to social policy.

Clarence Thomas: I think that the whole community benefits when people have a vested interest in their houses and neighborhoods. In the neighborhood where I grew up, the people who took the best care of their houses were the people who owned them. They weren't fabulous houses, but they were painted, they were clean, they had flowers out front.

Joseph Perkins: I'm enthusiastic about the sale of public housing units to poor but responsible tenants. By giving public housing tenants an ownership stake in their dwellings, we encourage them to act responsibly—to keep up their property, make timely mortgage payments, and so on. The Thatcher government has successfully instituted a "right to buy" program for public housing in Britain, and sold more than a half million of that country's seven million public housing units over the last five years.

Glenn Loury: I certainly do favor selling public housing to tenants who have shown themselves to be responsible. The theory is that owners have a greater stake in their community. The work of Bob Woodson and the National Center for Neighborhood Enterprises in fostering tenant-management organizations and tenant-ownership activities is noteworthy here.

J.A. Parker: Yes, if that is a way to get the government out of the public housing business. Public housing hasn't solved the housing problem. If anything, it has exacerbated the problem, and the government should get out of the housing business.

E.V. Hill: Yes. This would completely revitalize housing through pride of ownership. As you drive down the streets near our church, you will see some yards that are well manicured, some houses in good shape. These are the owners. You have other yards in complete disarray. These are the absentee landlords.

Do you favor President Reagan's initiatives for school prayer and discipline?

E.V. Hill: If this nation were wise enough to pass a school prayer amendment, God would consider it a national act of repentence to which he would respond greatly. What matters is not so much what would be said in our prayers as that we would be nationally recognizing God, and there is no telling what God would do for us in return. The one thing that irritates God so much about the United States is that so many people are trying to live as if He doesn't exist.

As for discipline, I am aware of its abuse. But I know no way that children will make it without some discipline.

Glenn Loury: I don't pretend to be an expert on education, but I can't help but think that a firmer disciplinary hand in schools would create a more conducive environment for teaching and learning, and perhaps more broadly, contribute to a general improvement of morality among young people—helping them to avoid some of the pitfalls of crime, drugs, early pregnancy, and so on.

As for school prayer, I have the impression that the courts have gone too far in their interpretation of church-state separation, as exemplified, for example, by the recent decision to deny Title I assistance to poor students in parochial schools. But there are legitimate concerns about the extent to which public institutions ought to embrace particular religious beliefs. Creation science, for instance, is not appropriate.

Clarence Thomas: Discipline is absolutely critical. It is a first step to learning.

As for prayer, my mother says that when they took God out of the schools, the schools went to hell. She may be right. Religion is certainly a source of positive values, and we need as many positive values in the schools as we can get.

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Joseph Perkins: I favor voluntary school prayer, and I certainly believe that discipline should be restored to the nation's classrooms. George Gallup conducted a survey of American attitudes about education two years ago, and most respondents cited "a lack of discipline" as the biggest problem confronting public schools. I'm certain most blacks concur. And another survey by Gallup last year revealed that three-fourths of blacks favor school prayer.

Robert Woodson: Discipline is the primary issue here, but I am not so sure what the federal government can do about it. Probably the best approach is to reward principals and administrators who keep strict discipline. And the best way to do that is to increase the competition in public schools by instituting a voucher program, which enable indigenous low-income groups to establish their own schools.

J.A. Parker: I favor voluntary prayer in schools, a testimony to our nation's belief in God. The Constitution demands that government be neutral as between the various religious groups, but not between religion and secularism or atheism. Thomas Jefferson, in the Declaration of Independence, declared that man was "endowed by his Creator'" with certain rights. Our pledge of allegiance speaks of "one nation under God." To prohibit non-sectarian, voluntary prayer in the schools is a rejection of our most basic tradition.

I also strongly support the President's stress on the need for discipline in the schools. If teachers are unable to remove unruly students from the classroom, which is often the case today, the education of all students suffers. The more important question, however, is to what extent we should depend only on public schools.

At the present time, affluent and middle-class Americans have freedom of choice. They can send their children to public schools or can send them to private schools. Only the poor, a disproportionate number of whom are members of minority groups, are compelled to use the public schools. I support a voucher system which would give the poor the same freedom of choice about how to educate their children that only the more prosperous now have. President Reagan has expressed support of this idea, but there has not been a concerted effort to educate the public about it and to push it in the Congress.

Is the welfare state responsible for the breakdown of the family in inner cities?

Glenn Loury: The welfare state is implicated in the breakdown. I don't want to say responsible, because I don't want to absolve individuals of the ultimate responsibility for how they live their lives. Some conservatives blame the welfare state for the breakdown of the family, in the same manner that liberals blame the economy and unemployment. Both arguments take away personal responsibility.

How is the welfare state implicated? I am persuaded by the argument of George Gilder and Charles Murray that the easy availability of financial support for women with children without fathers present has helped create a climate in which the breakdown in the family could be accelerated. While I am not exactly sure what should be done, I do have a feeling that the federal government can do more to reverse the trend. At the least, there ought to be a steady and persistent articulation of values and standards and beliefs about the desirability of stable family life as the most propitious environment for rearing children. And certainly tax laws should be changed to remove their biases against intact families.

E.V. Hill: I would say yes, to the extent that the welfare state has become an alternative to group struggle. It used to be that husbands and wives tried to stay together because they had no alternative. The husband needed his wife; the wife needed her husband. When welfare became adequate, then people in families didn't need each other so much.

I oppose all efforts to make welfare adequate or comfortable. It's a helping hand, but it's not supposed to replace your hand. Welfare was never meant to be a way of life. It was just supposed to be a little skip in the row.

Robert Woodson: It is a very big contributor. Up through the late 50s, the teenage pregnancy rate, the welfare dependency, and the teenage unemployment in the black community reflected the national average. It was the same as for whites. All that changed drastically in the 60s. I think the change is associated with the expansion of the welfare state and the poverty industry.

J.A. Parker: No. It has, of course, worsened the problem. The welfare system has changed our incentive structure. In 1960, there was an incentive for inner-city residents to work and to marry. Welfare provided too little money, it compelled an unmarried couple to live separately and made it impossible to supplement welfare checks with work.

By 1970, all of this changed. Welfare paid more than the average unskilled job. There was no longer a penalty for unmarried couples to live together. Government subsidized indolence.

Still, we cannot blame the receiving of a check alone for immorality. If people are immoral, they will find all kinds of reasons to be immoral whether there's a welfare state or not—whether they are poor or rich. The problem is the breakdown of the Judeo-Christian tradition and the lack of leadership at the synagogue and church level. Probably if ministers, priests, and rabbis were barred from political activity and social activism, they might spend more time in tending to the needs of their congregations and presenting the word of God.

Joseph Perkins: I lay blame for the disintegration of inner-city families wholly on the welfare state. What we have is a

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welfare system which creates disincentives to family formation in inner cities and offers perverse incentives to dissolve existing family unions. Consider that in 1963, just before the unprecedented expansion of the American welfare system, 17 percent of black births were illegitimate. By 1980, the black illegitimacy rate had swollen to 48 percent. In 1950, 78 percent of black families consisted of husband-wife households. By 1980, such families constituted only 59 percent of black households. I think it is difficult for anyone to argue that the burgeoning welfare state did not bring about the dissolution of black families.

Essentially, the state has supplanted the family among disadvantaged blacks. Young black mothers turn to the paternalistic federal government for support instead of looking to the fathers of their children. And young black males eschew their social and moral responsibilities because they too know that the state will act as their surrogate. Because of the multiplier effect, we have increasing numbers of black children born into single-parent households. And with so many children growing up in female-headed households, the importance of a husband-wife household is inevitably devalued. Thus, marriage doesn't hold the lustre among black youth in today's inner city that it did for their pre-welfare state counterparts.

Clarence Thomas: I don't know whether it is responsible for it, but it certainly doesn't help. It doesn't offer any incentives for families to stay together. And it certainly accommodates the disintegration of the family. When I grew up, there was more a feeling of responsibility for kids that you brought into the world. How you translate that into public policy, I don't have the slightest idea, other than making men take care of the kids they procreate. How the government enforces values, I don't know. I was always taught that you should be responsible for your offspring. The government didn't have a damn thing to do with it. No government policy prevented me from having kids out of wedlock. These were values I learned. Now, it seems, we have a free-for-all society where everything is all right as long as it makes you feel good.

What should be done about occupational or college admissions tests where blacks' scores are disproportionately low? Should blacks be evaluated on a different scale than other groups?

Glenn Loury: Absolutely not. It is profoundly pernicious to evaluate blacks on a different standard. The Griggs Doctrine, as enunciated by the Supreme Court in 1971, asserts reasonably enough that it is improper to require a high school diploma for a job for floor-sweepers when that has the effect of keeping blacks from getting the job.

But something is wrong when New York City prepares a test for policemen explicitly designed to be racially unbiased, and blacks still go into court asserting that the test is discriminatory because blacks failed at a vastly higher rate than whites. That, I think, is ultimately destructive of the goal of achieving equality. It is an argument that blacks cannot compete with whites.

Tests are, after all, a messenger, they tell us information about what is going on. And when tests reveal racial differences, they ought to occasion an effort to get at the root causes. Where the problem is a deficiency in the education of blacks, it should be dealt with. I don't think these test score differences reveal information about the genetic inferiority of the black population, but I do think they communicate to us very real messages about the differential attained knowledge in specific areas that ought to call forth some explicit treatment.

Robert Woodson: No, I think we should make kids work harder and help them pass the tests. You don't lower the ceiling, you increase the capacity of the kids. I think the black community could use organizational approaches like the 4-H Club, Future Farmers of America, and Junior Achievement. These programs teach entrepreneurial values like thrift, hard work, and showing up on time, which have an impact on education as well. Entrepreneurial values have application beyond just business; and I think that steps should be taken to spread them among low-income people.

Joseph Perkins: I think most occupational and college admissions tests are more or less objective. I don't subscribe to notions that such standardized tests as the SAT are "culturally biased" because most blacks have done badly on them. Indeed, I think it is essential that we continue to administer such tests as they permit us to measure blacks' progress from one year to the next. Rather than eliminate occupational and college admissions tests because blacks have scored disproportionately low on them, it is better to concentrate on adequately preparing blacks for college and the workplace. Even now, I think one will find that the blacks faring best on aptitude tests are those best prepared.

It does not help blacks in the long run if they are held to a different, i.e., lower standard than other groups in education and employment. It sets blacks up for permanent inadequacy. Let's judge everyone according to merit. If a college requires a certain test score for admittance, hold every student to that requisite. Don't let undeserving blacks enroll in the name of cultural diversity. The same case can be made with respect to corporate hiring. If a job calls for specific credentials, don't make special allowances for black candidates to fulfill a quota. The long-term interests of blacks are not served by such patronage.

J.A. Parker: No. You have to be evaluated as an individual. Better preparation should begin in grade school. It is essential to impose standards at that level and eliminate social promotions.

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Clarence Thomas: In the early 60s, after the segregated schools were busted up, it was appropriate to make some transitional adjustments for blacks who had received inferior educations. But I think we now have to address these scores head-on and stop playing games with them. Black kids are not intellectually much different from white kids; in fact, in the first and second grade, they do just as well as white kids. But at the end of the educational process, blacks' test scores are much worse than whites'.

Something has gone wrong in those 12 years. Blacks must become members of school boards, we must insist on better teaching in the schools. You do a disservice to black kids by discounting the value of those scores, particularly when whites know their importance. If a kid in the 10th grade sets out to become a doctor, he is eventually going to have to pass the MCATs, and the medical boards, and then he will have to be a good doctor or he will be sued. To ignore these scores and to ignore the educational preparation that is needed to improve them is to build kids up for a tremendous letdown and tremendous failure in the future.

Do you favor set-asides of government contracts for minority-owned firms?

E.V. Hill: Black Americans have never had a lift. Our mule and 40 acres were never delivered. We were put into a capitalistic society without any capital. And though white America has shown some prejudice toward other minorities, none can compare with what has been shown against the black man.

I believe black capitalism should be encouraged in the same manner that America helped rebuild Germany and Japan. Set-asides are possibly the only way that black America is going to get a helping hand. Set-asides are not color-blind programs. But when there has been deprivation, there must be some kind of compensation. Small black contractors cannot compete with the industrial giants. A 10 percent set-aside would not destroy the industrial giants, but would completely create minority business.

Clarence Thomas: We are deluding ourselves if we think that doing work for the government is true capitalism. I don't think we should have set-asides, I don't think we should have any policies based on race. But in terms of equity, what is the difference between set-asides and the way government has operated in the past, where getting a contract depends on having a strong lobbyist and good connections? So I would favor wiping out set-asides, but only, to use an analogy of Walter Williams', if we beat away all the other pigs at the government trough.

Glenn Loury: I am not prepared to endorse minority business set-asides as a broad remedy for this problem. I don't think that we have to expect 10 percent of the companies in every line of business to be black-owned as an index of blacks' full participation in the economy. In instances of inequitable access to credit markets, or other barriers against black businesses, I believe that the government should be aggressive in enforcing anti-discrimination statutes.

But I worry that efforts to promote black capitalism end up helping a relatively few special pleaders, who are just like other businessmen seeking influence in Washington in the hopes of increasing their profits. They just happen to have an angle that others don't have available, but their interests don't have much to do with the real problems of the inner-city poor.

J.A. Parker: We have had minority business programs since the Nixon Administration without any significant increase in black capitalism. Capital formation in the black community is still but a dream. Now black-owned banks are seeking merger partners with anyone to increase their financial base, provide more services, and become more competitive. The affirmative actions of the 60s and 70s have led to a disproportionate number of black professionals being employed by local, state, and federal government, or by huge private sector corporations. The real need is for entrepreneurs.

Robert Woodson: Economic development does not occur by making a few blacks millionaires, which I think some of the minority set-asides do. I think we should do more to provide incentives for blacks to go into business. The first place to start is by making low-income communities more attractive for business. Deregulation is also an area that would help minorities. If you lower the barriers to starting up a business, more low-income people could start businesses like day care centers. Now they are prohibited from doing so by requirements of education and training.

Do you find much racism in America?

Clarence Thomas: Racism has existed from time immemorial. Discrimination still exists. That's why the Equal Employment Opportunity Commission is still here. But the most devastating form of racism is the feeling that blacks are inferior, so let's help them. What we had in Georgia under Jim Crow was not as bad as this.

This racism based on sympathy says that because of your race, we will give you excuses for not preparing yourself and not being as good as can be. White parents tell their kids to study hard and get into college, and black kids are told they don't have to worry about their SAT scores. That's wrong. ☎

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Heart Of Darkness

What Governments Do to Blacks in the Rest of Africa

Adam Wolfson

In its treatment of its majority black population, the Republic of South Africa is a repressive police state. The country's whites enjoy the protections of constitutional democracy, and the most repressive daily features of apartheid have begun to be dismantled in the last five years. But by law, blacks are prohibited from voting in national elections, from assembling freely, from owning property, and from living where they choose. Two million blacks have been forcibly resettled from urban areas to rural "homelands," much like the coercive uprooting of city dwellers during China's Cultural Revolution. A Soviet-style system of internal passports tightly regulates where and for how long black South Africans may travel within their country. And during the recently imposed Emergency, two thousand blacks (and a few whites) have been detained by the police without charge.

South Africa's racial policies and brutal tactics have been properly condemned by American liberals and conservatives alike. "[W]e all feel that apartheid is repugnant," says Ronald Reagan. Secretary of State George P. Shultz recently said of South Africa: it is "a very painful part of the world" that "wrenches at us so deeply." These words have long been accompanied by specific trade restrictions that have dissociated the United States from the totalitarian features of the South African system. Since 1964, the United States has embargoed the sale of arms to South Africa. Under Ronald Reagan, the United States banned the sale of computers to the South African police.

Casting Ballots

But unfortunately, South Africa is not the only country in Africa that systematically violates the civil and political and human rights of its black population. From Ethiopia to Zaire, from Angola to the Sudan, from Nigeria to Burundi, South African-style repression of blacks is taking place all across the African continent. It is therefore important that Americans who call for freedom and democratization in South Africa think about the best ways of achieving these goals in the rest of the continent as well. For many of the most reprehensible features of the South African system are shared by the majority of countries to its north.

Consider the principle of "one man, one vote." Americans properly denounce South Africa for excluding the majority of its population from the political process. Blacks in South Africa are permitted only to vote as members of one of ten "homelands," which according to a report by the Ford Foundation "enjoy considerable de facto autonomy" in local affairs. There are also elections in black urban townships for community councilors who have day-to-day authority over township services but limited power because they depend on Pretoria for funds. (Indeed, elected township councilors have been the targets of much of the current mob violence: since June over 240 black councilors have resigned in fear; 12 have been killed.) But blacks have absolutely no voice in the national government. Unlike Asians and those of mixed race, they are not even allowed to vote for representatives to the new advisory councils for Parliament.

But South Africa is not alone in denying blacks the opportunity to choose their government at the ballot box. Angola, Benin, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Djibouti, Equatorial Guinea, Ethiopia, Gabon, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Nigeria, Rwanda, Sao Tome and Principe, Seychelles, Sierre Leone, Somalia, Namibia, Sudan, Swaziland, Tanzania, Togo, Uganda, Zaire, and Zambia are all run by unelected regimes, with no popular accountability. Over 85 percent of black Africa is disenfranchised.

One of Africa's remaining democracies, Zimbabwe, is on the road to dictatorship. During the elections held this summer, President Robert Mugabe called Zimbabwe's Constitution a "dirty piece of paper," and called for a one-party state.

Regulations designed to restrict political rallies and marches are used to silence the two main opposition parties; they bear a striking similarity to those in force when Zimbabwe was ruled by whites. Government youth groups recently ransacked the homes of followers of Joshua Nkomo's Zapu party. The Zimbabwean police have seized the passports of Mr. Nkomo and his wife, and have de-

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tained two top officials in his party who have not been heard from since.

Forced Expulsions

Or consider the inhumane forced expulsion of two million blacks from urban areas in South Africa. Recently 18 blacks were killed and over 200 were injured in violent rioting sparked by the South African government's announced intention to remove blacks from the Crossroads shantytown. Despite protests, the South African government relocated 50,000 blacks.

But this brutal railroading of people occurs in many parts of Africa. For example, the Ivory Coast expelled 16,000 Beninese in the mid-1960s; Ghana gave two weeks notice and expelled 500,000 "aliens" in 1969; Zambia expelled all its "aliens," some 150,000 people in 1971; Uganda expelled 50,000 Asians in 1972, and 10 years later expelled thousands of Banyarwandas; Kenya expelled almost 5,000 refugees from 1979 to 1981; Ethiopia began a massive relocation of 1.5 million persons in 1984. This May, Ethiopian soldiers ruthlessly forced 50,000 starving people at the Ibnet relief camp to leave, and then set the camp on fire, as part of a "national policy" to resettle people in the western region of Gondar.

The most brutal expulsions have occurred in Nigeria. In 1983, up to three million foreigners were forced to leave. The *Washington Post* reported that in the "frantic struggle" to escape by the deadline, many refugees were killed while some died of hunger. Two years later, Nigeria expelled another 700,000, at times using tear gas to break up refugee camps. In one confrontation, the Nigerian police shot 65 fleeing refugees. None of the refugees have been compensated for property left behind.

South Africa is also properly condemned for its inhumane "influx control" system, which allows blacks to visit white urban areas outside of their "homelands" for only 72 hours at a time. Similar laws restrict the freedom of movement of citizens of Ethiopia, Kenya, Mozambique, Rwanda, Somalia, Sudan, Tanzania, and Zaire. Ethiopians, Mozambicans, Rwandans, and Zairians must carry work and residence permits, and cannot move without the permission of the government. These totalitarian controls in South Africa, or elsewhere, prevent people from rural areas from moving to urban areas.

Human Wrongs

Not since the 1960 Sharpeville massacre, when South African police killed 69 black protesters, has the violence been so widespread and indiscriminate there. In the past year, up to 2,000 South African blacks have been detained without charge or trial; 624 have died in social unrest. Amnesty International has expressed "grave fears" for the safety of the black detainees. In the past, political detainees were "commonly tortured and ill-treated," says Amnesty International. In recent rioting, the South African police shot a 12-year-old girl to death, and used whips and tear gas to intimidate black demonstrators. But more heinous human rights abuses occur elsewhere in Africa, in Ethiopia, Tanzania, Angola, Mozambique, Zaire, and Uganda.

Nothing South Africa has ever done is as horrible as Ethiopia's Stalin-like policy of mass starvation. "What is happening in Ethiopia today is catastrophic," says William Shawcross in *Rolling Stone* magazine. "Indeed . . . it is now clear that the government is using a deliberate policy of starvation" in the provinces of Tigre, Eritrea, and Wollo. In a country endowed with some of Africa's most fertile land, eight million Ethiopians face death by starvation. A year ago, as poor peasants starved, the Ethiopian government spent $200 million celebrating the 10th anniversary of Ethiopia's Communist revolution. Today, half of Ethiopia's budget goes to supporting Africa's largest army. Sixty thousand tons of donated food rot on the docks because transport vehicles are used by the army to fight the rebels in Eritrea and Tigre; it is no coincidence that those most affected by starvation are located in these two regions.

Several thousand Ethiopians are imprisoned for political crimes, though the exact figure is unknown, since the Ethiopian government does not permit the International Committee of the Red Cross or Amnesty International to interfere in its "internal affairs." Torture is routinely used to interrogate political prisoners. According to Amnesty International, methods of torture include "dipping the body in hot oil," "raping of women," "inserting a bottle or heated iron bar into the vagina or anus," and "tying a bottle of water to the testicles."

The human rights situation is especially tragic in war-torn Angola. Approximately 400,000 persons have left the country for political reasons. Over 2,000 people are imprisoned for political crimes. Half of these are accused of complicity with the rebel group, UNITA, while the rest have been jailed without charge. Torture is permitted under Angola's constitution, and is used against prisoners, according to Amnesty International. Methods include severe beatings, prolonged food and water deprivation, electric shocks and "Russian roulette." One Angolan police officer detained in the notorious Luanda prison suffered burns as a result of electric shocks administered to his head and genitals.

In Mozambique, almost 5,000 people are held for political reasons in government "reeducation centers." Law Number 5/83 legalized public floggings for all political and economic crimes. In a 1985 report, Amnesty International expressed concern about the "use of torture, and other forms of cruel, inhuman, or degrading treatment of punishment in Mozambique." One frequent approach consists of "tightly binding the victim's arms behind his back with wet rope and then leaving him for several hours," during which time, "the rope dried out and contracted, biting into the flesh." Many victims lost the use of their arms for months.

In Zaire, prisoners of conscience face "relegation," the equivalent of South Africa's "bannings." Political opponents who are "relegated" are restricted to where they can live and work, and who they can see. The total number of political prisoners exceeds 1,000, and human rights groups have confirmed allegations that many prisoners are tortured. In 1984, more than 100 prisoners were summarily executed; 50 people were deliberately starved to death.

Anti-apartheid activists have denounced South Africa for the imprisonment of Nelson Mandela, the leader of the outlawed African National Congress. But his treatment can hardly compare with the way successive Ugandan gov-

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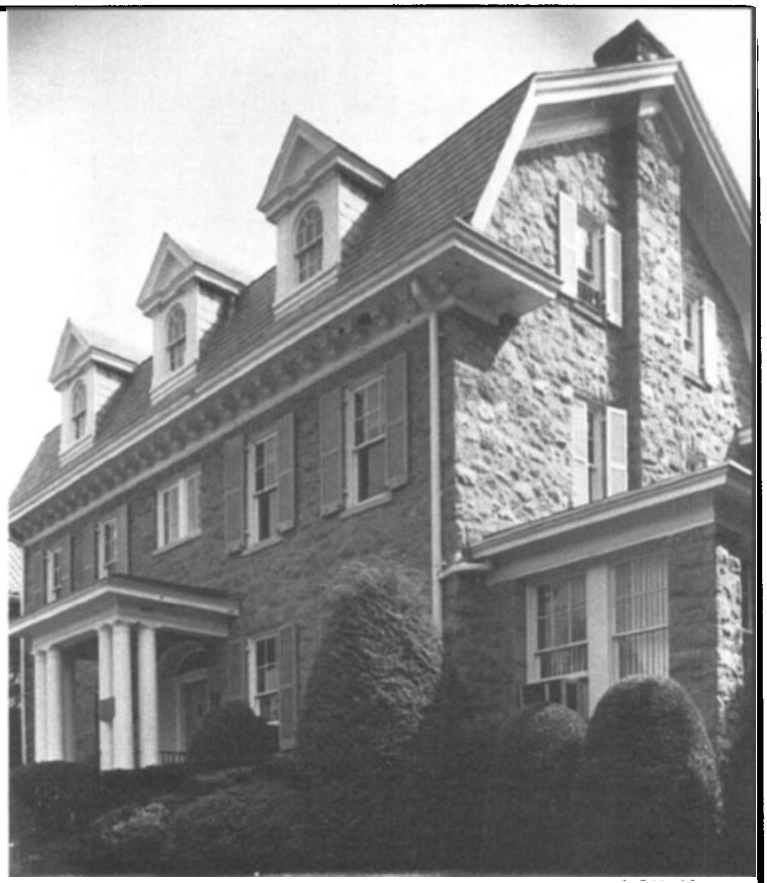
Over 2,600 demonstrators have been arrested in front of the South African Embassy in the past year.

There have been no demonstrators or arrests in front of these embassies.



Uganda: 600,000 people killed from 1971 to 1985.

Ethiopia: the government is deliberately starving millions of its own people.

Zaire: over 1,000 prisoners of conscience; torture is common.

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ernments have dealt with their political enemies. Half a million people were killed between 1971 and 1979, and over 100,000 since. Political prisoners are held incommunicado and have no recourse to the protection of the law. The use of torture in Uganda is "widespread and systematic," according to a 1985 Amnesty International report. "Those most at risk are civilians unlawfully imprisoned for political reasons in military barracks where the use of torture and cruel, inhuman, and degrading treatment is routine."

In Tanzania, the "Preventive Detention Act" provides for the arrest of any person "considered dangerous to public order or national security." Detainees have no right to a lawyer or recourse to the judicial system. Over 1,000 people have been arrested and imprisoned under the provisions of this act. Today, 4,000 persons languish in jail without charge or trial.

Shades of Repression

The suppression of blacks in South Africa is in some ways more systematic than in most other African countries. The apparatus of apartheid, and the explicit denial of civil and political rights to blacks, is deeply entrenched, and survives changes in South Africa's top leadership. If Prime Minister Botha were suddenly to die or to be voted out of office, it is unlikely that the racial policies would change.

By contrast, some African countries have highly personalistic regimes, where the human rights situation can greatly improve (or worsen) when the leader dies or is overthrown. For example, under the brutal rule of President Ahmed Sekou Toure, Guinea had one of the worst human rights records in Africa: political opponents were starved, tortured, and killed on a massive scale, and up to 2,900 people disappeared without explanation. But most of these abuses have stopped since Toure died in 1984. Similarly, the human rights situation of the Central African Republic has substantially improved since the overthrow in 1979 of "Emperor" Jean-Bedel Bokassa, a sadistic butcher who murdered political prisoners with his own hands.

Repression of blacks in South Africa is formalized by a comprehensive legal code, and continually reinforced by an ideology of racial separation. It is therefore more deeply rooted than in the autocratic regimes of most other African countries. The exceptions are Marxist states such as Angola and Ethiopia where Communist parties have consolidated totalitarian control.

But in other respects, South Africa is freer than most African countries. For example, the South African press is the freest on the African continent, according to a report by the International Press Institute. All of the privately owned papers are anti-government; even the Afrikaner press favors the reformist faction of the Afrikaner National Party. When the black consciousness leader, Steve Biko, was brutally killed while in police custody, the *Daily Dispatch* headline read in English and Xhosa, "We Salute A Hero of The Nation." The *Post* has run a petition demanding the release of the imprisoned black leader of the African National Congress, Nelson Mandela. Over 45 percent of the readership of the English-language press is non-white.

In the rest of Africa, only Botswana, Cameroon, Gabon, the Ivory Coast, Mauritius, and Senegal allow the press a measure of independence. The president of Mozambique, Samora Machel, spoke for the rest of Africa when he stated that the role of the press is to "liquidate liberalism, individualism" and to eliminate "all types of deviations from party policy by straightening out incorrect ideas."

In three countries frequently cited for their tolerance, Nigeria, Tanzania, and Zimbabwe, freedom of expression

The suppression of blacks in South Africa is in some ways more systematic than in most other African countries.

is severely curtailed. Since the 1983 coup in Nigeria, one-fifth of the journalists have lost their jobs. Nigerian journalists can be arrested and imprisoned for up to two years for violating a law prohibiting the publication of anything which "is calculated to bring the Federal Military Government . . . or a public officer to ridicule or disrepute." According to the International Press Institute, the Tanzanian government has beaten local journalists, inducing a high level of self-censorship. In Zimbabwe, foreign journalists were expelled when they reported the civilian massacres that occurred in Matabeland in 1983. Criticism of President Robert Mugabe is illegal.

Freedom of expression in the arts and literature is similarly controlled and censored. The Kenyan writer Ngugi wa Thiong'o has been imprisoned; the Guinean writer Camara Laye was forced into exile, never to see his country again; the Angolan writer Fernando Costa de Andrade Ndunduma has been detained for three years for the "improper use of the right of criticism"; the Ugandan playwright, Byron Kawadwa, was murdered by his government.

Democracy In Africa

The widespread repression of blacks in Africa can in no way justify South Africa's racial policies. Instead, the moral campaign against South Africa must be broadened—with the aim of improving the respect for the rights of black people everywhere in Africa.

Civil rights leaders should demonstrate not only in front of the embassy of South Africa, but also in front of the embassies of Ethiopia, Zaire, and Mozambique, to name only a few countries. By stressing the importance of freedom and democracy to Africans, American blacks, especially elected officials, could have an enormous impact on the liberalization of African governments.

American and other Western representatives at the United Nations should denounce not only apartheid, but also the heinous barbarisms of such countries as Uganda and Angola. Historically, there has been a reluctance to

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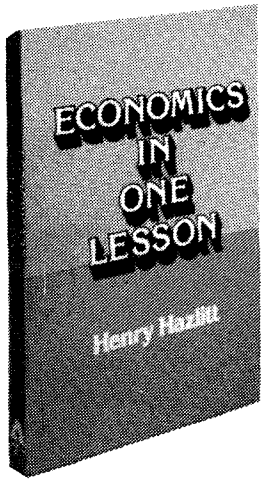
criticize black tyrants in Africa, lest one be accused of racism. But it can hardly be considered racist to hold African governments to the same standards one would hold Asian or European or Latin American governments. One can go even further: it is racist not to demand that black people enjoy the same civil and political rights under black governments that we insist they enjoy under white governments.

If sanctions are imposed on South Africa, perhaps they should also be considered for other African countries. Care should be taken, for example, that famine relief for Ethiopia does not bolster the brutal totalitarian rule of the Mengistu regime. Disinvestment should be applied to Angola, where American companies, such as Gulf Oil, keep a ruthless government afloat.

Finally, it is important to honor those few African countries that do show a respect for freedom and human rights. Botswana, Mauritius, and Senegal, for example, are multiparty democracies that respect the civil and political rights of their citizens. Last year, the Batswana cast ballots in their country's fifth election since independence. Twice in the past three years, political power has changed hands peacefully in Mauritius' parliamentary democracy. Senegal has 15 political parties, a free press, an apolitical military, and a healthy private sector agricultural economy. If South Africa's "for whites only" democracy were broadened, it too could serve as an African model of reform. There is tremendous potential for democratization in all of Africa, but only if double standards, lame excuses, and empty moralizing are cast aside.



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PEACE WITH FREEDOM

Why Democracy Is Worth Defending

CASPAR WEINBERGER

The leaders of the Western world have too often failed to set forth vigorously the crucial differences that separate our system from the Soviet system which threatens us. Indeed, our intellectual elites have developed the notion that there is a "moral equivalence" between the United States and the Soviet Union. This was clearly evident in the numerous attempts to equate the Soviet invasion and occupation of Afghanistan with the American rescue in Grenada, which brought freedom and democracy to a beleaguered people.

Moral equivalence is an insidious idea because it submerges distinctions between the United States and the Soviet Union. Thus it implies that the struggle between the two has no moral component whatsoever; that it is merely a power contest between two equally reprehensible nation states. The moral case for defending the Western democracies, which has to be made if its citizens are going to support such a defense, is severely undercut by the suggestion that we have nothing ethically distinctive—and indeed superior—to protect from our adversary.

What separates the two systems? Certainly there is the material superiority of the West, which springs from our free enterprise system, but much more important, there is the moral superiority of liberal democracy over Communist totalitarianism.

In a sense, this contrast is so patent that it can be taken for granted. This may account for the fact that it seems rare that we see it as the theme in our public speeches. We have become accustomed to leaving overt moral judgments out of our political discourse altogether. We have become complacent about first principles. And in intellectual circles, it is very unfashionable to discuss our strategic policies in terms that call attention to the moral superiority of our system of limited government and human rights and freedoms against the system of Marxism-Leninism and its various oppressive offshoots.

When President Reagan described the Soviet Union as an evil empire, there was an eruption of outrage and indignation in academic and intellectual circles. What does it say about the current state of political culture in the West that so many would deem the President's remark inappropriate or even a gaffe? It is not that the critics argue that the characterization is untrue. But apparently our media elites believed that any effort to spotlight the evil of the coercive and tyrannical system of our Communist adversaries was crass and perhaps even provocative (the ultimate crime for the people who frequent these circles).

How did we come to such a pass? The road, it seems to me, is paved with bad terminology—words that tend to obscure or sometimes invert the moral issues in East-West relationships. For example, it has become widespread, especially in Western Europe, to refer to the United States and the Soviet Union as the "superpowers." Now in some sense that term is defensible if we are just using shorthand to describe two militarily strong countries. But its frequent repetition in the political and popular literature implies that the great divide in international affairs is somehow between superpowers and all the other nations, rather than between the democracies and the totalitarian systems. It also implies that the essential characteristic of the United States is its military power, rather than the political and economic freedom of its people. In putting the United States and the Soviet Union together in the single category of "superpower," one promotes the debilitating and false notion of moral symmetry between East and West.

Democracy's beacon is not military force but its devotion to human rights and individual freedom. That is what has led and now leads millions of less fortunate people to seek our shores every year. Refugee traffic between the Soviet bloc and the democracies is clearly one way. Not many people struggle to get into the Soviet Union.

About 10 months ago, this fact was impressed on my mind when I visited our troops at the Fulda Gap, one of the strong points that divides East and West Germany. I was guided by some of our troops who pointed out to me our observation towers, which all face east to spot a possible invasion. The Soviet observation towers in East Germany also face east. They face east to contain people, to keep them in that empire, to prevent their getting out and finding out what freedom really is like.

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The leadership styles of democracies and totalitarian states starkly contrast with each other. Democracies are led by force of persuasion, not by the persuasion of force. In keeping with democratic ideas, we are deeply committed to policies of global assistance, not intervention. Democracies follow external policies that basically reflect the nature of their internal policies. That is why our troops are now out of Grenada and the citizens there had the opportunity, as our citizens do, of electing their own representatives. Totalitarian states also propagate internationally what they practice internally; Eastern Europe suffers the same restrictions on economic and political freedom as the Soviet Union.

Another phrase frequently used to promote the notion of moral equivalence is the term "arms race." It is not accurate to suggest that we in the United States have been building weapons systems in quantities or varieties commensurate with the Soviet military buildup. We have indeed been trying to regain defensive deterrent strength, because throughout the 1970s we cut down our investment in defense by over 20 percent in real terms, hoping the Soviet Union would show similar restraint. It did not. And it takes time to regain your strength. It is also expensive. And it may be unpopular. But it is essential.

We were not "racing" with the Soviets when they caught up and then surpassed us in weapons buildup. Instead we were passionately debating the best way to stop the buildup, and we passively delayed many weapons proposals to facilitate this end. Even when the Soviet Union was expanding its arsenal, we were contracting ours. The term "arms race" clouds the distinction between why the United States builds arms and why the Soviet Union builds arms. We arm to protect our freedoms and, where we can, extend them to others. The Soviets arm for intimidation and aggression against free peoples.

These are not the only unfortunate terms that have entered our vocabulary of moral equivalence. The terms "wars of national liberation" or "guerrilla" or "commando" are used to refer to the overthrow of governments by Marxist forces which aim not to liberate or give freedom to anyone, but to prey on their existing hardships, and subject them to oppression and indoctrination. The term "national liberation fighter" is sometimes used to refer to terrorists for whom violence has become an end as well as a means.

Misusing words in this manner subverts clear thought, impedes the formulation of moral judgments, and tends to paralyze democratic politics when confronted with the phenomena of subversion and terrorism. We ought to bear in mind what Addison said. "Words, when well chosen, have so great a force in them that description often gives us more lively ideas than the sight of things themselves." Words have the capacity to shape reality; they are, in this sense, weapons, and should be carefully used.

One concept I wish our public opinion leaders would stress more is the role of the West in promoting rule by law. Within American society, law is a very potent force. We inherited our law from England, and it binds individuals and governments alike. The Soviet Union makes and enforces laws too, but in the West, law represents security, not oppression, because our lawmaking organs are legitimate, deriving their power by the consent of the governed, not through superior physical force.

It is natural that a cardinal aim of U.S. national security policy should be to reduce the role of military power in world affairs. Some are puzzled as to why the Department of Defense does not always want a war next week. It is because we think it is essential that our national policy should be to try to reduce the role of military power, just as we have reduced the role of physical force in our domestic affairs. Our widespread faith in arms control talks is based on the hope that such legal documents can substitute to some degree for military power as the basis of our security. But we have to keep our expectations realistic.

Promoting Peace

There are players in world affairs that have societies where all law is subordinate to the interests of the ruling party, and where government maintains itself by physically dominating its opponents. The definition of morality in the Soviet Union is whatever advances the party and the state. The notion that rulers of those states, unconstrained even by any domestic law, will conform out of some legal scruple to unenforceable international rules is, to say the least, problematic. This point, in my view, is deeply important. It has ramifications even beyond arms control. Our ability to base our security more on law and less on guns is related to the types of governments maintained by other states.

This is not to say that arms control should not be tried. Or that we should not, with enormous patience, try to secure agreements that provide for major reductions down to equal levels. The central point here is verifiability. Verification must be a critically important part of the negotiations in these attempts to substitute a rule of law for a rule of force.

Those who would successfully promote international peace have to distinguish between two types of circumstances—both of which are called "peace." One is peace with freedom. It is the peace that is based on the disinclination of states to take by force things that do not belong to them. It is the peace that is based on respect for rights, and it is a peace based on law. Clearly such a peace, the kind that exists, for example, between the United States and Canada, is far more desirable than the peace of a military standoff, or a peace based on the fear of invasion—such as the kind of peace which prevails now in Poland, where there is no freedom. Peace with freedom is a peace that can exist only among states whose governments acknowledge that abstractions like rights and laws are binding. Totalitarian Communist regimes whose ideology completely rejects liberal principles of limited government, do not and cannot consider themselves so bound.

To the extent that we in the United States desire true international peace with freedom, peace based on individual and sovereign rights and on the principle of resolution of disputes through negotiation, we must acknowledge and follow our interest in creating conditions in which democratic forces can gain and thrive in this world. A world not of our making, but a world in which we must fight to maintain our peace and our strength. And a world in which the very best way to maintain peace is to be militarily strong and thus deter war.

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The Bishops As Pawns

Behind the Scenes at the U.S. Catholic Conference

Dinesh D'Souza

For most of this century, ecclesiastical proclamations by the American Catholic bishops dwelt on such subjects as "Field Education in the Catholic Seminary," "The Homily in the Sunday Assembly," "Rite of Penance," and "Liturgical Music Today." Response from the Catholic community was tepid, and the national media were understandably indifferent. Then in the late 1960s and early 1970s, the bishops entered the political arena, with increasingly frenetic denunciations of U.S. foreign policy and calls for redistribution of income. Even these statements, however, remained obscure to most people. Now the bishops have synthesized their political vision with two pastoral letters that challenge the basic tenets of U.S. defense and economic policy. And the reaction has been explosive, both inside and outside Catholic circles. Acres of press commentary have been devoted to praising or damning the pastorals, countless seminar participants have cogitated on the theological and policy implications, and even the Reagan Administration has been taken by the lapels and forced to respond to the bishops' criticism.

The pastoral on nuclear weapons, approved almost unanimously by the bishops in May 1983, urges the United States to move away from deterrence toward a peace based on disarmament and "mutual trust" with the Soviet Union. The bishops declare that "deterrence is not an adequate strategy as a long-term basis for peace; it is a transitional strategy justifiable only in conjunction with resolute determination to pursue arms control and disarmament." The argument of the pastoral is that "good ends such as defending one's country and protecting freedom cannot justify immoral means," such as threatening to wreak massive destruction on the Soviet Union. Thus the bishops demand progressive disarmament of superpower arsenals beginning with "immediate bilateral agreements" that "halt the testing, production, and deployment of new strategic systems." Even while depleting its missile stockpile, the United States should "under no circumstances" aim its nuclear deterrent at Soviet population centers, whether they house Soviet silos or not. Nor should the United States ever contemplate the first use of nuclear weapons—or issue such a threat. Without arms control efforts seeking "deep cuts" in nuclear arsenals, the bishops assert that the defense strategy of the free world cannot be morally justified.

The first draft of the letter on the U.S. economy, released in November 1984, proclaims that "Society has a moral obligation to take the necessary steps to ensure that no one among us is hungry, homeless, unemployed, or otherwise denied what is necessary to live in dignity." Labeling the welfare system "woefully inadequate," the bishops call for an "experiment in economic democracy," which would evaluate all fiscal and economic policies primarily in terms of their material impact on the poor. Dismissing criticism of two decades of failure of federal handouts as evidence of "a punitive attitude toward the poor," the pastoral urges greater transfers of resources to the indigent and the unemployed. The bishops fault trade policies in the West for poverty in the Third World, and propose an expansion of loans and foreign aid to rescue the beleaguered economies of Africa and Latin America. A second draft of this letter will be released in October 1985 and a final version approved in late 1986.

One immediate result of the two pastorals has been a switch of constituencies for the bishops. The people who once ridiculed and caricatured the theology of the bishops, and their pronouncements on settled Catholic teaching on abortion and artificial birth control, now speak their names solemnly, almost reverentially, invoking of all things the bishop's Authority. Even groups such as People for the American Way (PAW), which greeted the activism of evangelicals and Archbishop (now Cardinal) John O'Connor's comments about abortion last year with apocalyptic warnings about mixing God and politics, now throw confetti at the Catholic clerics as they march, in their hats and long robes, into the public policy arena. John Buchanan, president of PAW, calls the bishops' recent politicking "valuable" and "encouraging."

By contrast, the bishops' foray into partisan politics has prompted criticism from individuals, organizations, and journals usually supportive of the church hierarchy. Theologians such as Michael Novak of the American Enterprise Institute, Ralph McInerny of Notre Dame University, and

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Fr. James Schall of Fordham University, and publications loyal to the magisterium, such as the *National Catholic Register* and *Catholicism in Crisis,* have worried aloud about the bishops jeopardizing their theological credibility by attaching their name to dubious, or at least controversial, political causes.

As American citizens, the Catholic bishops certainly have a right to participate in the policy discussion. An entirely separate issue is what expertise the bishops have to tackle these issues. Foreign and economic policy data and analysis are not part of the curriculum at Catholic seminaries. So if the clergy wish to offer serious policy critiques which go beyond broad moral claims ("We must say no to nuclear war," "Bread before bombs") they must become familiar with the concepts and the terms of the debate.

In their pastoral letters the bishops do not confine themselves to general moral assertions. Indeed the reader is struck by the depth and specificity with which the bishops seek to dissect concrete policies and propose remedial action. In the letter on war and peace, the bishops call for a "no first use" declaration by NATO, for the United States to abide by arms control treaties including SALT II, for abandonment of missiles such as the MX which "possess a prompt hard target kill capability," and for a counter-force as opposed to counter-value strategy. The draft letter on the economy condemns flat-tax proposals, sets the maximum permissible unemployment rate at three to four percent, demands more soft loans through the World Bank to underdeveloped countries, endorses comparable worth legislation and "judiciously administered" affirmative action, and invites consideration of a New International Economic Order.

Uninformed Indignation

I recently contacted several rank-and-file bishops to find out how much they know about defense and economic policy matters. These bishops were selected randomly to represent the mainstream of the American hierarchy. After all, the two pastorals are not intended, and are not being promulgated, as the view of a handful of bishops on a committee or a small crew of advisory staffers, but rather as the collective moral and political judgment of the American hierarchy. So it is fair to ask how competent the average bishop is to evaluate national policies and domestic policy.

Interviews with these bishops suggest that they know little or nothing about the ideas and proposals to which they are putting their signature and lending their religious authority. The bishops are unfamiliar with existing defense and economic programs, unable to identify even in general terms the Soviet military capability, ignorant of roughly how much of the budget currently goes to defense, unclear about how much should be reallocated to social programs, and innocent of the most basic concepts underlying the intelligent layman's discussion of these questions.

Bishop Edward O'Donnell of St. Louis is perplexed about terms such as "frictional unemployment" and "hard target kill capability" which appear in the pastoral letters bearing his name. He has no idea what percent of our budget is spent on defense; "I have to look it up." He wants an "adequate non-nuclear defense" to protect Europe against a possible Soviet invasion, but is alarmed at the information that conventional weapons cost more than nuclear weapons. Immediately he says that a conventional buildup "doesn't call for more spending on our part"; let the Europeans pay their own way. How many troops does the United States have in Europe? Bishop O'Donnell "just can't say." He does feel that "our whole strategy of fighting World War II was unjustified" because innocent civilians were targeted and killed. How else to defeat Hitler? "You know," says Bishop O'Donnell, "I don't have the answer."

The Catholic bishops are ignorant of the most basic concepts underlying the defense and economic policy debate.

Bishop Patrick Cooney of Detroit says the United States "should not worry about defending Europe or the Middle East" but rather should focus on "building a more just world." As for how much we spend on defense, "I haven't looked very deeply into our military situation. Quite honestly, I don't think we're getting true information from the government." What percentage of the military budget goes to nuclear weapons? "I have no idea. I'm not sure anybody knows." Bishop Cooney does feel that "we have enough weapons to destroy the world 100 times" and that "the West uses 80 to 90 percent of the wealth of the world," but he can't cite sources for those figures. As for Charles Murray's thesis that poverty programs have actually hurt the poor, it was probably unfair to bring up something so abstruse, but it was still surprising to hear Bishop Cooney retort, "Well, that's *his* opinion."

Bishop Maurice Dingman of Des Moines believes that we have "enough weapons to blow up the world 20 times." Not 100 times, only 20? That's right, Bishop Dingman says confidently, and we have enough warheads to destroy the Soviet Union "10 times." The bishop says he is "going more and more pacifist" because of his realization, "Why can't we win wars without ever lifting a gun?" Confronted with the magnitude of the Soviet buildup and asked to explain it, Bishop Dingman is not flustered. "*Megatrends* gives me the answer," he says, in reference to the bestseller. "Both we and the Soviets have hierarchical systems that are outdated. We have to move into networking."

The term "Keynesian" comes up in our discussion of the letter on the U.S. economy. "Say that word again,"Bishop Dingman interrupts. "That doesn't mean a thing to me." Does he feel that cutting marginal tax rates contributed to our present economic recovery? "Cutting marginal tax rates? I'm not sure what you mean by that." Bishop Dingman launches into an attack on those who advocate eliminating farm subsidies. "Why do we have to go against

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our Jeffersonian principles? Why do we have 20,000 acre corporate farms in Kansas? What has happened to the family farm?" He sums up his farm discourse thus: "So the rich get richer, and the poor get poorer, and the rich start working with the military."

Bishop Daniel Hart of Boston won't hazard a guess about how much we spend on defense, what we spend it for, what proportion of the federal budget it takes up, or how much more we should devote to welfare. "I won't give figures, because I just don't know." Nor will Bishop Hart speculate about the number of missiles, warheads, troops, or tanks the Soviet Union possesses. He is not sure how many soldiers the United States has abroad, or where they are located. "I really can't say," he offers in generic response to these questions. Unlike the other bishops, he is even unsure about how many times we can blow up the world with nuclear weapons. "I don't know."

Confronted with the magnitude of the Soviet buildup and asked to explain it, Bishop Maurice Dingman replied, "*Megatrends* gives me the answer. We have to move into networking."

Hartford bishop Peter Rosazza, who initially proposed the pastoral on the economy, has "no idea" how much the United States spends on defense. But "it's astronomical," he says. "It seems clear we're going for superiority." He condemns the MX missile and the B-1 bomber but is especially vehement about strategic defense. "That's out. Out. To me, there's no question. It's a quantum leap in the arms race." Asked how poverty increased in the United States even while the amount spent to eliminate it by the federal government multiplied several times, Bishop Rosazza said, "Wow, that's a tough one."

Murphy's Law Revisited

One bishop who freely admits his lack of knowledge is Nevin Hayes of Chicago. "I'm not that well informed," he says. "Just how many nuclear and conventional weapons we have, I'm not sure." How can the United States deter a Soviet invasion of Europe without the threat to use nuclear weapons? "I don't know." Bishop Hayes condemns the "big monsters" for "putting the mom and pop stores out the business" in this country. He is flabbergasted when asked about marginal tax rates. "Marginal what? This is where I'm way over my head." At this point, it was probably hopeless to ask him whether he knew anything about the principle behind supply-side economics, Say's Law. "How do you spell that?" Bishop Hayes wanted to know. "Is it like Murphy's Law?"

The problem the bishops get into when they leave their ecclesiastical domain and try to be professionals on other matters has been commented on before. During the debate on the war and peace pastoral, Archbishop Philip Hannan of New Orleans accused his colleagues of not having "the faintest idea of what you are doing." And it is hardly new; in 1976 when the bishops passed a resolution calling on the Carter Administration to negotiate a new treaty with Panama, Cardinal John Carberry of St. Louis told the *New York Times* he knew "nothing at all" about Panama and felt foolish casting an uninformed vote on such an important foreign policy issue.

The reason the bishops boldly press ahead in their political activism is their abiding trust in the people who write their pastorals—the policy staff of the United States Catholic Conference (U.S.C.C.). Although most have no formal training as defense strategists or economists, the U.S.C.C. staffers greatly enjoy tackling public policy matters, and submitting lengthy analyses that the bishops assume is a correct application of Catholic principles.

The U.S.C.C. is a civil corporation, based in Washington, D.C., whose members are the U.S. Catholic bishops. It was founded in 1966, in the wake of Vatican II, along with the National Conference of Catholic Bishops (N.C.C.B.), a canonical body. Previously the bishops issued their joint statements through the National Catholic Welfare Conference (N.C.W.C.), which rarely ventured into politics. The N.C.W.C. focused on improving the institutions of the family, the school, and the church as vehicles for transmitting moral habits. Its pastorals tried to teach people to become better husbands, wives, parents, and citizens. The assumption was that transforming the individual heart was the best way to transform society—that sin is located not in bureaucracy, but in human beings.

The N.C.W.C. did seek to mediate the tensions between labor and capital, but always on the premise that Christian natural law teaching is harmonious with the theory of natural rights (to life and property) enshrined in the Constitution and the Declaration of Independence. In 1919, the N.C.W.C. issued "The Bishops' Reconstruction Program," which supported the rights of labor to organize, and later it would endorse several programs in President Roosevelt's New Deal package. But never in its five decades of existence did the N.C.W.C. attack U.S. foreign policy. The bishops did condemn Communist states for teaching atheism in schools, and for religious persecution of Christians. The bishops approved of U.S. involvement in World War II, and subsequently of the United Nations and U.S. relief efforts in Europe.

New Catholic Militancy

In the late 1960s, however, the newly-formed U.S.C.C. began to hire an increasingly militant set of officials who were not content with what they considered vague formulations of Catholic principles and a narrow emphasis on individual and family behavior. The U.S.C.C. staff urged the bishops to be more specific about Catholic social doctrine, and place more emphasis on collective sins and collective (i.e. governmental) solutions. The result was an explosion of highly politicized U.S.C.C. pastorals.

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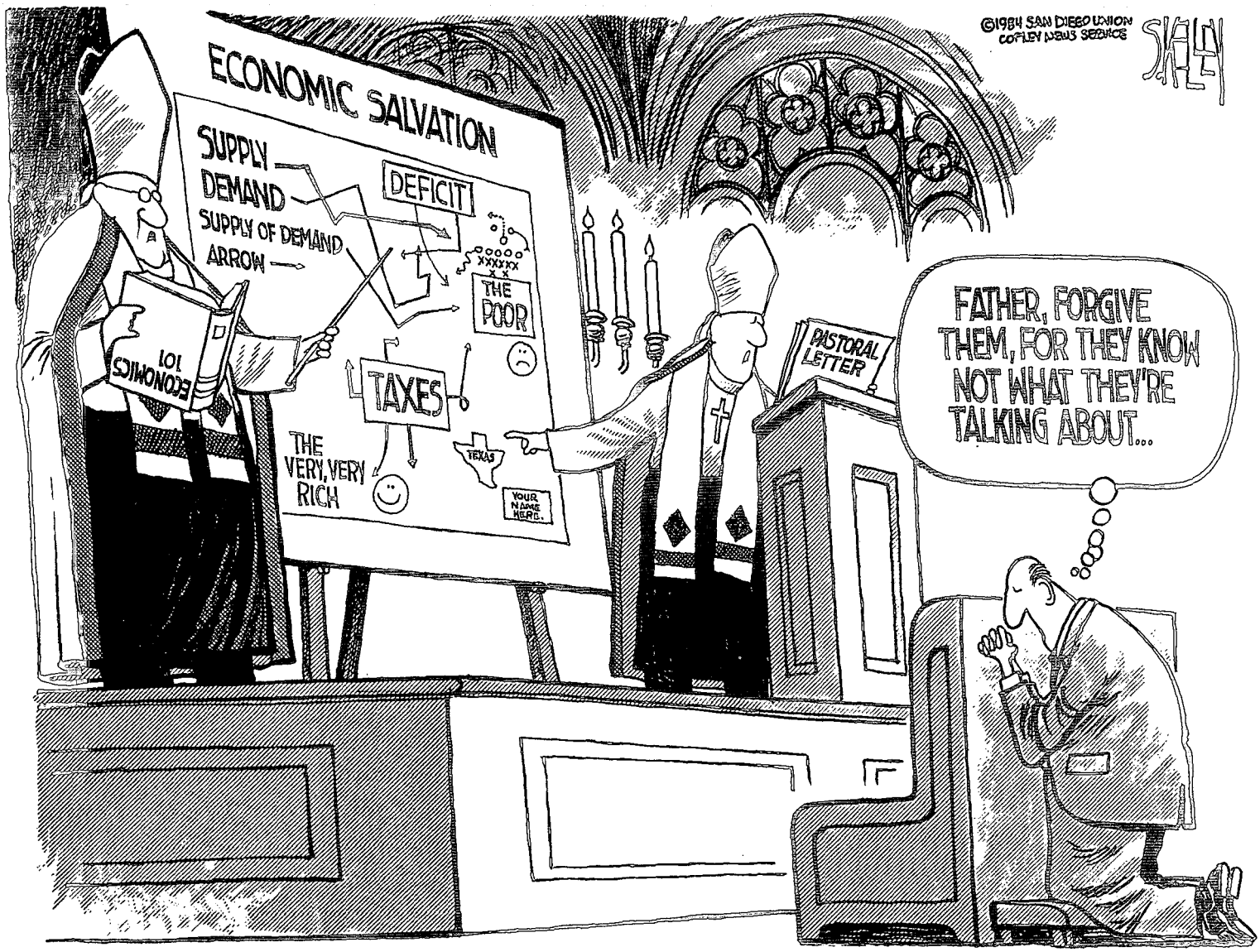

In the 1970s, the bishops demanded that the United States withdraw from Vietnam; opposed the bombing of Cambodia ordered by President Nixon; called for amnesty for draft evaders; supported a Panama Canal treaty; opposed capital punishment; advocated strict handgun control laws; denounced human rights violations in Chile and Brazil; supported the SALT treaties; declared the right of Palestinians to a separate state; opposed an anti-ballistic missile system for the United States; called for the United States to cut off all aid to El Salvador; supported increased U.S. aid to the Marxist regimes of Angola and Mozambique; and insisted on full employment, a guaranteed national income, and participation by the poor in welfare policy-making boards—to name a few policy positions of the U.S. Catholic Conference.

Individual bishops no doubt share the sentiments of concern for the poor and horror of war that underlie these pastorals, but they are not the ones who come up with the analysis or the specific recommendations. Martin McLaughlin, a former official at the Agency for International Development (AID), who is actively involved in writing the economics pastoral, says that even the bishops delegated to the pastoral committees "rewrite very few sentences" that the U.S.C.C. staff draws up; only "if they egregiously do not like something, they change it." The team working on the pastorals consists of men with a political agenda and intensity that is not shared either by the bishops or by the vast majority of American Catholics. Professor Brian Benestad, author of *Pursuit of a Just Social Order,* an authoritative study of U.S.C.C. statements, maintains that there is "no political diversity" on the staff, and that the U.S.C.C. "thinks it is more important to issue partisan policy statements than to communicate the principles of Catholic social doctrine." Russell Shaw, secretary for public affairs at the U.S.C.C., says that his colleagues are "probably more liberal" than the bishops, and "unrepresentative of the Catholic population."

These views are confirmed by conversations with the three senior U.S.C.C. officials who, by common agreement and their own admission, had the greatest influence on the two pastoral letters signed by the hierarchy—Edward Doherty, Fr. Bryan Hehir, and Ronald Krietemeyer.

Doherty, a lumbering bespectacled man, is a former foreign service diplomat who now serves as full-time adviser to the Office of International Justice and Peace at the U.S.C.C. He worked on the pastoral letter on war and peace. Yet Doherty's views did not always prevail: he finds the final document altogether too hawkish, because it permits the United States to retain its nuclear deterrent temporarily. Doherty wants the bishops to advocate immediate unilateral nuclear disarmament by the United States in favor of a conventional weapons deterrent. He does not think this will be exploited by the Soviet Union. "Look at China. Why don't the Soviets use their enormous nuclear

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superiority to impose their will on China?" Also, "the Soviets have so much trouble in Eastern Europe. They are having their own Vietnam in Afghanistan."

Even if the Soviets do take advantage, Doherty asked what was so bad about America being in a situation like that of Poland—subject to Soviet domination, but free in the heart? "The American tradition of dislike for foreigners would lead to great resistance," Doherty predicts. Perhaps this vision "seems quixotic and naive," Doherty says, "but only to people who would prefer to be dead than red." Doherty would prefer to be red than immoral. It's "preferable" for America to be in the position of a conquered Afghanistan than for it to retain its current nuclear capacity, Doherty says, because "Ethics means living with moral obligations." Doherty regards any use of nuclear weapons as immoral, and since "it's wrong to threaten to do something immoral," even possession of such weapons is evil and "cannot be justified in terms of the evils of Communism."

It's "preferable" for the United States to be in the position of a conquered Afghanistan than for it to retain its current nuclear capacity, according to Edward Doherty, adviser to the U.S. Catholic Conference.

If the Soviets occupied U.S. territory, "that would be good from a moral point of view," Doherty argues, because "it would force people to defend themselves on an individual, human level rather than ask their government to take care of them by building more missiles." And while a Communist state will no doubt attempt to destroy Catholicism, "No Catholic can say that the triumph of Communism will mean the death of the church. That shows a lack of faith."

The war and peace pastoral didn't reflect these near-pacifist sentiments, according to Doherty, because Fr. Bryan Hehir wanted a document that would "remain part of the policy debate. He was afraid we'd be written off." Doherty implies that Fr. Hehir fashioned the document not necessarily to reflect Catholic moral principles, but to influence U.S. policy in the direction of disarmament. In places Fr. Hehir kept the pastoral deliberately obscure, according to Doherty, because "my boss thinks . . . ambiguity is a virtue in modern discourse." Fr. Hehir's actions, however, were in keeping with the insistence of Cardinal Joseph Bernardin of Chicago, chairman of the war and peace pastoral committee, that he would be "open to anything except unilateral disarmament," Doherty says; Bernardin was afraid that the bishops would "alienate themselves from the Catholic community and the policy community."

Unconventional Strategy

Fr. Hehir is secretary of the Office of Social Development and World Peace, the umbrella group which coordinates both domestic and foreign policy statements by the U.S.C.C. He has been called the most influential person in the American church. He sits crouched in an overstuffed chair, peering through bushy eyebrows and waving various books and treaties which are meant to give his comments added authority. His latest idea, which he stresses is not in the pastoral, is that the United States should get rid of its entire land-based ICBM force. Certainly a unilateral dismantling of about a thousand warheads or so would have "no impact on crisis stability," Fr. Hehir says.

Fr. Hehir wants the United States to consider basing its nuclear deterrent solely on Trident submarines. It is an unusual suggestion, because submarine-launched missiles are less accurate than ICBMs, and even if aimed at military targets they pose greater risk to civilian population—that is, they are immoral by the standards of the bishops' pastoral. Land-based missiles are the most effective way for the United States to place Soviet targets and the Soviet leadership at risk and thus deter aggression in a manner morally acceptable to the Catholic hierarchy. "But land-based missiles may provide a more tempting target for a pre-emptive Soviet first strike," Fr. Hehir points out.

He enjoys conversing in arms control legalese, frequently using terms such as "crisis management prospects," "hard target kill capability," and "throw-weight capacity." But he dislikes being pinned down with specific scenarios. Asked how we would defend Europe against a Soviet invasion with only conventional weapons, he smiles; he won't say.

Asked why the Soviet Union finds it in its interest to build heavy, first-strike missiles if the only goal is to deter a U.S. strike, Fr. Hehir notes merely that it "seems a foolish thing to do." He does condemn the idea that the United States should attempt to deter war by threatening to destroy the Soviet *nomenklatura* in the event they initiate a nuclear attack. "Doesn't that cut off all control of the situation?" Fr. Hehir asks. "That could make things more destabilized."

It takes a moment to realize that Fr. Hehir has convinced himself that every approach to deterring war is either strategically foolish or immoral or both. The United States shouldn't target Soviet cities, because that's immoral. Or Soviet silos, because that's destabilizing. Or the Soviet leadership, because that will make a tense situation worse. Fr. Hehir places all his hopes on arms control treaties, but he does not appear worried about Soviet violations. "On the whole, the Soviets have abided by the treaties," he says. The Krasnoyarsk radar the Soviets have built in Siberia, for example, which even liberal Congressmen such as Stephen Solarz have called a clear Soviet violation, Fr. Hehir terms an issue "still under debate."

Ronald Krietemeyer, the youthful director of the U.S.C.C.'s Office of Domestic Social Development, is supervising the pastoral letter on the economy. He wants an expansion of social spending which he admits will cost

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"in the tens of billions of dollars." In addition, he calls for "some additional billions" to reinforce what he sees as a shredded safety net for the poorest in our society.

Out of his Field

Krietemeyer still exudes an early 1960s optimism about the effectiveness of federal spending to cure poverty. "The work ethic among the poor is just as strong as among anyone else," Krietemeyer says. "In some families people work even though it does not make them better off economically." In fact, the unemployed are "dying to work, but cannot find jobs." Why not, in a growing economy? "Because they lack skills," Krietemeyer says. He calls for "targeted job programs," especially in high unemployment areas such as Detroit and Pittsburgh. "We have to find a way to do this without increasing inflation."

Whether this is possible or not, Krietemeyer doesn't know. He seems a bit confused at a mention of the Phillips Curve. He calls for "experimentation" to discover job-creation programs that are non-inflationary.

He isn't persuaded by the argument that a robust economy is the best way to create jobs. He calls tax cuts aimed at economic growth "a scattershot approach which hopes that heating up the economy will generate more jobs." His argument is that economic growth is too widely and unpredictably dispersed, whereas economic redistribution can be choreographed to benefit minorities and poor people.

So where will all the money come from to pay for all the bishops' proposed programs? Krietemeyer doesn't want a bigger deficit, and he doesn't want significantly higher taxes. He finds his revenue in national defense. "The bishops believe it is possible to cut back considerably on that $300 billion," he says. But didn't the bishops in their war and peace pastoral call for a shift from nuclear to conventional deterrence, a shift that is by its nature more expensive? "That's out of my field," Krietemeyer says. "I'm not into the conventional arms issue."

The men behind the activism of the American hierarchy are, like the bishops themselves, deeply moved about our social problems. But they seem only slightly better informed about the reality of those problems and the difficult choices that a society must make—choices that involve trade-offs. They seem to believe that we can have everything: peace without deterrence, deterrence without the threat to use nuclear weapons, adequate conventional defense without spending more on the military, more federal spending without raising taxes or the deficit, expanding social programs which do not curb incentive or increase inflation. That sort of perfection is not known to obtain in this world.

It should not be assumed, however, that with the two pastorals either the bishops or the U.S.C.C. are acting entirely outside the Catholic tradition. Just war theory, which goes back to St. Augustine, stipulates that a moral war satisfy several conditions—it must be declared by a competent authority, it must have a just cause, it must be used as a last resort, it must have some chance of success, its damage must be in proportion to the ends it seeks, and it must discriminate between combatants and civilians. It is difficult to envision many scenarios where nuclear weapons are used that would satisfy all these criteria. Yet papal speeches and encyclicals have not condemned the possession of nuclear weapons for the purpose of deterrence, and indeed Pope John Paul II has repeatedly reaffirmed the right of the free world to defend itself against aggression. The pastoral letter on war and peace seems to depart from the position of Rome in its assumption that the threat to use nuclear weapons either automatically assures their immoral use (which is the opposite of the purpose of deterrence) or is morally tantamount to their use (a concept utterly new to just war theory or the Christian tradition).

Catholic social teaching on economic questions goes back to Pope Leo III's 1891 encyclical *Rerum Novarum*, which is a simultaneous repudiation of socialism and laissez faire capitalism. It defends both the right of private property and of workers, condemns power centralized either in states or large corporations, and justifies economic activity in terms of the common interests of the community.

The experience of North America and East Asia has demonstrated that it is capitalism, not egalitarianism, which is the preferential option for the poor.

Subsequent encyclicals such as Pope Pius XI's *Quadragesimo Anno* (1931), Pope John XXIII's *Pacem in Terris* (1963), Pope Paul VI's *Populorum Progressio* (1967) and most recently Pope John Paul II's *Laborem Exercens* (1981) all balance property rights and economic freedom with the needs of society as a whole. Yet the Catholic tradition of placing the "common good" ahead of individual interest is not the same thing as the American bishops' "preferential option for the poor"—the idea that societies are morally appraised in terms of how they provide for their poorest citizens.

Of course even if one were to accept this standard, the bishops' numerous recommendations calling for expanded redistribution programs and foreign aid do not follow. Embarrassing though it is to the bishops, there is hard evidence that many of these policies, at least as enacted in the past, are a form of cruelty to the poor and exacerbate both their material and spiritual poverty. The experience of North America and East Asia has demonstrated that it is capitalism, not egalitarianism, which is the preferential option for the poor.

The Pope's Divisions

The bishops' latest activism is rooted in their discontent with previous, largely unsuccessful battles to uphold orthodox Catholic teaching; and in their emerging struggle with Rome to control the agenda of American Catholicism. Through most of the 1960s, under a relatively conservative hierarchy, the bishops stressed evangelization over politics—their minimal lobbying was reserved mainly

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for issues such as abortion and school prayer. But now, says Russell Shaw of the U.S.C.C., the bishops may be punch-drunk from "the weary struggle" first to prevent and then to reverse *Roe v. Wade* and *Engels v. Vitale,* as well as to uphold *Humanae Vitae,* the encyclical forbidding artificial birth control on which the bishops have "largely given up." In comparison to these protracted and thankless endeavors, the bishops have discovered how pleasant it is to air progressive passions. And the accolades from the networks and the major newspapers more than compensate for the criticism of a Michael Novak or a William Simon.

In Rome, however, there are raised eyebrows over the bishops' activism. Monsignor Joseph Whalen, who is on the staff at the Apostolic Nunciature, says "Rome is not totally opposed" to the bishops' pastoral letters but notes that if his office had produced the documents "they would have been different." Indeed, the Vatican exercised leverage to moderate the nuclear weapons pastoral; shortly after the second draft was released, the Catholic press reported that Pope John Paul II sternly chastised Cardinal Bernardin for permitting what he considered irresponsible criticism of the defense policy of the free world. Hoping to offset a similar embarrassment, Archbishop Rembert Weakland, chairman of the committee overseeing the economics pastoral, went to Rome last September to give the Pope a briefing on the first draft and solicit his comments. U.S.C.C. officials say that in response to pressure from various quarters, including Rome, the second draft of the letter on the U.S. economy will be much less sulfurous about free enterprise.

The larger concern in the Vatican, however, is that the clergy stay away from these frontal attacks on the systems in the West that have ensured the church survival and prosperity, and focus on the first priority of bishops—evangelization and spiritual care of the parish. Already the Pope has replaced the Apostolic Delegate from Rome to the United States—the progressive Belgian Archbishop Jean Jadot, who from 1973 to 1980 oversaw the appointment of more than a hundred bishops tolerant of dissent in the church and eager to stress "social justice" over their spiritual ministry.

The new Pro-nuncio, Archbishop Pio Laghi, has begun the arduous task of restoring the American hierarchy to its erstwhile mission. Recently the Pope, in coordination with Laghi, approved over the objection of several U.S. bishops the appointments of Cardinal John O'Connor of New York and Cardinal Bernard Law of Boston, who are the foundation stones for the new structure of the American Church the Pope would like to see.

So far the two cardinals have focused on correcting theological abuses, such as liberation theology, within the church. They have not greatly influenced the bishops' political activism. In the political arena thus far, the progressive forces led by Cardinal Bernardin seem to be winning. For the Pope and his reformers, there is much to be done with the bishops and with the bishops' conference. The former could use a new infusion of evangelical resolve, it seems, and the latter clearly needs some political balance. But time is on the side of the Pope's divisions, and we may be seeing one of the last parades of liberal Catholicism for a long time to come. ☎

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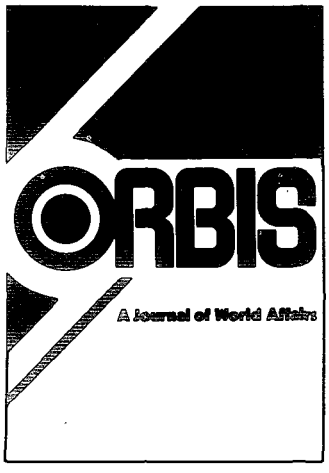

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PAUL VOLCKER'S LEGACY

A Reputation for Brilliant Crisis Management, and a Monetary System in Disarray

DAVID FAND

Two years from now, Paul Volcker's second term as Chairman of the Board of Governors of the Federal Reserve System will come to an end, and there are some expectations that he will step down before then. President Reagan will therefore have the opportunity to appoint someone new to the second most important economic policy post in the nation. The most important task for whoever is chosen will be to restore stability and predictability to the monetary system. For Paul Volcker will leave as his legacy a reputation for brilliant crisis management, a substantially lower but still high inflation rate, and a monetary system in total disarray.

Perhaps no chairman of the Fed ever came to his position as well prepared as Paul Volcker. At the time of his appointment by President Carter in 1979, he was serving as president of the New York Federal Reserve Bank, supervising not only the world's most important banking and money market center but also the United States' monetary transactions with foreign countries. He had previously been Undersecretary of the Treasury for Monetary Affairs and a vice president of the Chase Manhattan Bank. He was intimately familiar with the ins and outs of the byzantine Fed bureaucracy, he had mastered the art of Washington turf fighting, and he had acquired a thorough knowledge of the international monetary system. He was both an accomplished practitioner and a man of intellect who had carefully studied monetary economics for some 30 years.

Mr. Volcker immediately put his talents to good use in 1979, at a time when inflation was soaring, the dollar was collapsing, and financial markets around the world were understandably jittery about management of the Fed under his predecessor G. William Miller. Mr. Miller had been a very successful businessman, but as a central banker he was widely perceived as being unconcerned about inflation, unfamiliar with the details of how monetary policy works, and too willing to cater to political pressures from the Carter Administration. As the result of Mr. Volcker's stature and his widely respected expertise, he was able to reassure international financial markets that the management of the Fed was once again in competent hands.

He has since shown phenomenal skill in averting potential crises. When a run on Continental Illinois threatened to precipitate a bank panic in 1984, he quickly supplied the bank with funds and stood behind the Federal Deposit Insurance Corporation's bailout of large depositors and noteholders. He helped arrange a stretched-out repayment schedule for the Mexican government in 1982, and thanks to an additional $8 billion contribution by American taxpayers to the coffers of the International Monetary Fund, he helped secure more generous I.M.F. financing for countries such as Argentina and Brazil.

In none of these cases did Mr. Volcker really solve the underlying problem, and in some he may have set a bad precedent. The bailout of Continental's depositors, for example, will reduce pressure on big banks to keep their houses in order. The American taxpayer may end up getting charged for Third World loans that go sour. But Mr. Volcker did succeed in getting Continental and Mexico off the front page. He fixed the plumbing without getting to the source of the leak.

Perhaps his greatest accomplishment has been the dramatic lowering of inflation. When Mr. Volcker took charge of the Fed in 1979, consumer prices were rising at a rate of 11.3 percent a year, the GNP price deflator was rising at 8.6 percent, the dollar (the world's leading reserve currency) was collapsing, thus plunging the international monetary system into chaos. The price of gold rose from less than $200 to $875 an ounce in a year and a half. And the conventional wisdom among non-monetarist economists was that it was impossible to reduce inflation below a "core" rate of close to 10 percent without triggering a severe 1930s-style depression.

Mr. Volcker turned this wisdom on its head. He had not been known as an inflation-fighter during most of his professional career, and he followed contradictory inflation policies when Jimmy Carter was President. In January 1980, he imposed credit controls at the request of President Carter, engineering a mini-recession, and then in April

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Drawing by Bill Bramhall for *Policy Review*.

he opened up the monetary floodgates, which led to an upsurge in inflation and interest rates by the end of the year.

But then Ronald Reagan was elected, and his administration explicitly committed itself to four economic goals: spending cuts, tax cuts, reduced regulation, and a deceleration of money growth. Backed by this explicit commitment to disinflation, Paul Volcker cut money growth with a vengeance. By 1982, the nation was in a severe recession, and price increases were down to only four percent per year.

Topsy Turvy

Mr. Volcker is frequently criticized for being too restrictive, especially whenever the price of gold or oil or other commodities declines or the exchange rate of the dollar rises. But this criticism is off target, and assumes that the price of gold is an accurate week-to-week or day-to-day index of the value of money. The truth is that the price of gold can rise or fall temporarily for reasons that have nothing to do with the general purchasing power of money. The quadrupling of gold prices in the late 1970s did not reflect a quadrupling of the price level, though it did reflect a lack of confidence in the dollar. The price of gold is a reasonable gauge of the general price level only over longer periods.

The stock of money has actually grown faster under Mr. Volcker than under his predecessors. M-1 has grown at 7.9 percent in the six years that Mr. Volcker has been in office, compared with 6.7 percent during the previous six years. Thus, despite his success in bringing down inflation, Mr. Volcker has not arrested its underlying causes. Indeed, one might imagine that the inflation numbers would look much higher if the attractiveness of the American economy under President Reagan had not raised the value of the dollar, if oil and transportation prices had not fallen as the result of deregulation, and if growth in the turnover of money (what economists call velocity) had not slowed down as the result of the introduction of Super-NOW and other interest-bearing checking accounts. Even the current 4.5 percent inflation rate is high by historic standards, and would lead to an eightfold increase in the price level over 45 years.

A more accurate criticism of Mr. Volcker is that his management of the money supply has been wildly volatile and topsy-turvy. In 1981, he slammed on the monetary brakes too hard, and from August 1982 to June 1983 he accelerated money growth too quickly. From May to November 1984, money growth was virtually flat, while from mid-May to mid-July 1985, it careened at a pace of over 19 percent.

One has to go back to the 1940s to find such erratic behavior in the money supply. Quarterly money growth shot up from minus four percent to 17 percent in 1980, and from three percent to 17 percent in 1982, while plummeting from 18 percent to three percent in 1983-84. In the six years before Mr. Volcker, the highest quarterly growth rate was only eight percentage points above the lowest.

Interest rates have exhibited similar variability. In 1980, in the space of a single year, the prime rate tumbled from 18.3 percent in March to 11.1 percent in August, and then skyrocketed to 20.4 percent in December, before falling back to 11.5 percent two years later. The 30-year FHA mortgage rate rose from 11.8 percent in July 1980 to 18.6 percent in October 1981, and was back down to 12.8 percent in December 1982. The three-month Treasury bill rate fell by almost 600 basis points in eight months—from 13.48 percent in February 1982 to 7.7 percent in October. And this tumultuous behavior is not yet over. The three-month Treasury bill rate fell from 10.4 percent in August 1984 to seven percent this July, and, even more dramatically, long-term Treasury bonds fell by 300 basis points from June 1984 to June 1985. Changes of this magnitude are unprecedented in American financial history.

The result has been the most erratic economic performance in decades. The unemployment rate moved up by almost five full points in three years—from 5.7 percent in the second quarter of 1979 to 10.6 percent at the end of 1982, before falling to the current 7.2 percent. Inflation was pushed up temporarily in 1980-81, then down in 1982-83. Now inflation is relatively stable, hovering at around 4-4.5 percent per year, but the overall performance of the economy is fluctuating wildly. In two years, we moved from famine to super-feast: from a three percent annual decline in real GNP during the recession of 1981-82 (the worst decline since 1974-75), to a stunning eight percent growth between the first quarters of 1983 and 1984, the most rapid expansion since 1958-59. But for the year ended June 30, 1985, real GNP growth was back down to a miniscule 1.9 percent.

Perhaps even more disturbing, Mr. Volcker has made no effort to come to grips with the fundamental problem of the international monetary system. Under the Bretton Woods regime before 1971, fixed exchange rates constrained the ability of central banks to issue too much currency, lest their monetary reserves be depleted as the result of a balance of payments deficit. The only country that could consistently run balance of payments deficits was the United States, since for many years the rest of the world actively desired dollars both as a reserve currency and as a trading vehicle, but American monetary policy was nevertheless constrained by the obligation to redeem with gold any excess holdings of dollars by foreign central banks.

In most major countries, money stock growth was therefore limited by law, legislation, and other conventions. The Bretton Woods regime provided a stable monetary framework from the late 1940s until inflation began to accelerate in the United States in the late 1960s, and foreigners lost confidence in the dollar. In 1971, President Nixon felt compelled to close the gold window, and the United States adopted fiat money (inconvertible paper currency).

Since the breakdown of Bretton Woods, the major currencies in the international monetary system have not been backed by anything. There is no longer any anchor limiting the issue of the major currencies in the world economy. The long-term outlook for the price level is therefore extremely scary. In 1939, the British price level was essentially the same as in 1739, and the American price level close to that of 1800. There was no secular trend. But from 1939 to 1985, the price level rose eight times in the United States and 20 times in Great Britain. Such sustained price

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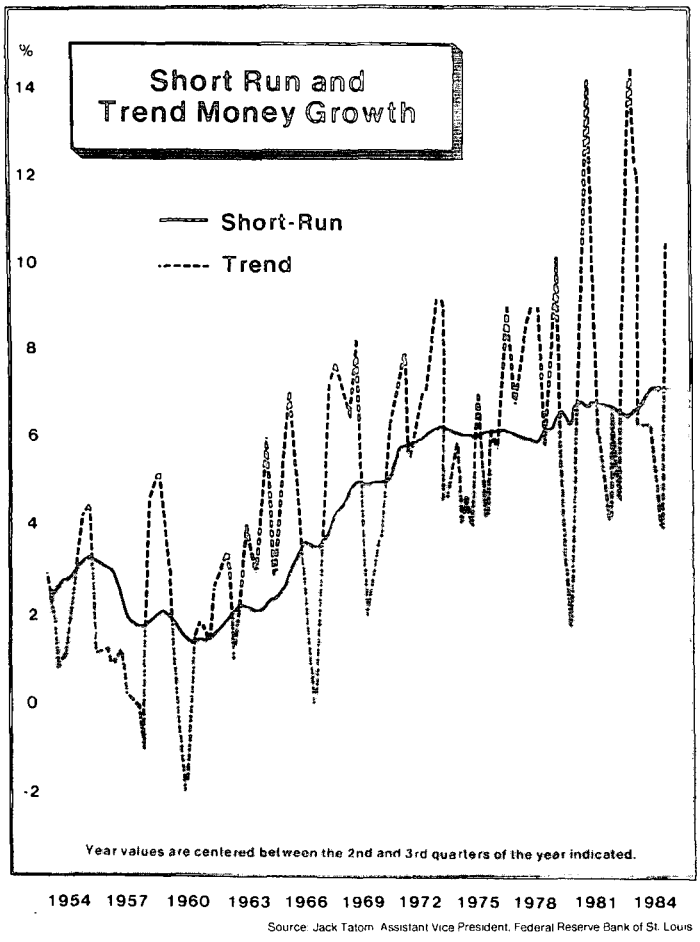
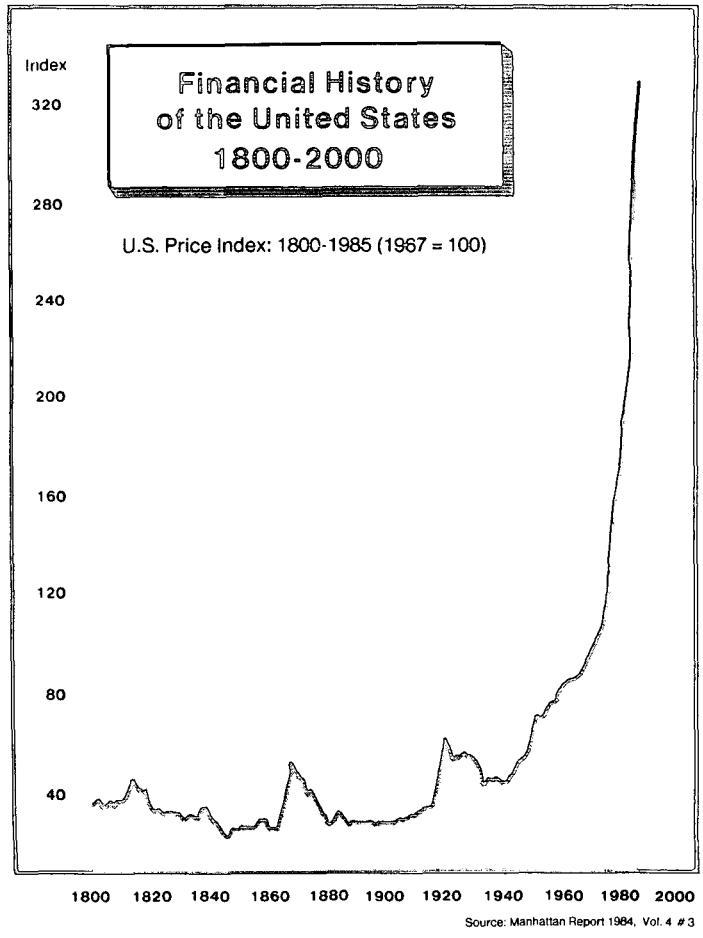
The Ups And Downs Of Fed Policy





Graphs by Karen Pontik for *Policy Review*.

rises had never been seen in the prior 200 years, and it is unclear whether our economic and political institutions can survive such a drastic change in the monetary environment.

The inflation rate started moving up almost two decades ago, and accelerated sharply starting in 1971. Prices were rising at 1.6 percent a year from 1953 to 1965, 4.1 percent from 1965 to 1971, and 7.5 percent from 1971 to 1985—thus riveting attention on the need for an anchor restricting money growth if we wish to achieve a stable monetary framework, stable prices, and long-term price predictability.

Fiat Money Plus Crisis Management Equals Monetary Anarchy

But Mr. Volcker has provided no anchor for the system. His roller coaster monetary policy, in conjunction with a fiat money regime, has been disastrous for long-term business planning and financial markets whose survival depends on the ability to make reasonably confident predictions about future interest rates and inflation. The long-term private bond market has virtually disappeared over the last five or six years, and even government bonds are used as trading vehicles rather than as investments. You cannot in good conscience tell a widow or orphan to invest money in the bond market today.

It has also become very difficult to get a fixed-rate 25- or 30-year mortgage. Most businesses cannot borrow for more than seven to 10 years, and even that is at a variable rate. In short, there is virtually no confidence in what monetary authorities will be doing two to three years from now, and therefore there is no confidence in what the price level will be three to five years from now.

Indeed, the Fed under Volcker exhibits the worst of what U.C.L.A. economist Axel Leijonhufvud has called a "random walk" monetary policy:

> Under this standard the . . . monetary authorities decide one period at a time whether to accelerate or to keep constant or to decelerate the rate of money growth. Only current economic conditions and immediate political pressures enter into this decision. Future money growth rates are left to the future. Nobody thinks about them today. Whoever will be in charge when the time comes will accelerate or decelerate as he or they see fit. The only rule that governs this process is that in each point in time, those who are in charge choose what seems to be the most convenient and expedient thing to do at that point. There is no scientific or rational way for the private sector to forecast future price levels in this system that we have allowed to develop.

The 19 percent money growth from mid-May to mid-July this year was a perfect example of random walk policy. In testimony before the House Banking Committee on July 16, Mr. Volcker pointed out that demand was grow-

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ing briskly in the United States. This means that the current slowdown in American production is not attributable to a restrictive monetary policy, and certainly does not justify a 19 percent growth rate. The rapid acceleration, however, was a convenient political posture for a Fed chairman who had to testify before Congress in mid-July. Mr. Volcker opened the floodgates—thereby creating a future problem that will require additional crisis management later on.

For Mr. Volcker's successor, we need a monetary philosopher who will understand the importance of constitutional limits on monetary policy.

For some reason economists call these sharp and substantial adjustments "fine tuning." There's nothing fine or subtle about it. Federal Reserve policy in the Volcker years has concentrated almost exclusively on drastic corrections of the immediate problem, to the relative neglect of the future. It has not been dedicated to developing a stable long-run monetary framework; it concentrates instead on getting the Fed out of short-run jams.

Defenders of Mr. Volcker's crisis-management approach argue that the American economy would have been even more unstable without his efforts to "lean against the wind" and prevent potential crises from turning into panics. They argue that the business cycle went through booms and busts long before the Federal Reserve was established in 1913, and that the combination of high American budget deficits, political uncertainty and turmoil around the world, and rapidly changing market conditions in key industries such as banking, agriculture, and energy have increased the instability and precariousness of the economy and economic expectations. By keeping away panic, Mr. Volcker's defenders claim, the Fed chairman has actually given business planners greater assurance in the predictability of the future.

But the evidence is that the zigs and zags of Fed policy have only added to the uncertainty of doing business today. Businesses these days are compelled to hire Fed watchers at substantial salaries simply to interpret what the Fed is doing. Business executives worry not only about their competitors and their customers, but also about what the Fed may do next.

In this uncertain environment, success depends more on the ability to forecast and hedge against inflation than on efficiency and competitiveness. Playing inflation, or disinflation, right is the way for Americans to win major success. As Professor Leijonhufvud has put it, "The natural selection of individuals for fame and fortune will therefore change: finance people will be favored over marketing people in corporations, lawyers over product designers, accountants over production managers." But an entire people cannot improve their living standards by playing this inflation game. Who will invest in productivity growth, if it is far more profitable to invest in real estate deals and tax shelters?

Under a regime of uncertain interest rates and inflation, contracting is no longer a reliable mechanism for reducing the risks of long-term ventures. Political lobbying is often a substitute strategy, as some people seek to attain by public compulsion what private cooperation has failed to achieve. Legislators are swamped by demands to regulate business, to subsidize those who guessed wrong on inflation, and to control the prices and rents of a wholly unpredictable marketplace. Eventually, the political system will be put under so many strains that its legitimacy will be endangered.

The Case for Constitutional Rules

Paul Volcker has not devoted his unique abilities and extraordinary talents to producing a stable monetary framework that would give us stable money, stable prices, and stable expectations. Instead, he has served as a top-notch monetary plumber fixing up crises. For his successor, we need a monetary philosopher who will understand the importance of constitutional limits on monetary policy.

The case for a constitutional approach to monetary policy was best made in 1936, by Henry Simons in his essay "Rules vs. Authorities in Monetary Policy":

> An enterprise system cannot function effectively in the face of extreme uncertainty as to the action of monetary authorities or, for that matter, as to monetary legislation. We must avoid a situation where every business venture becomes largely a speculation on the future of monetary policy.
>
> . . . definite, stable, legislative rules of the game as to money are of paramount importance to the survival of a system based on freedom of enterprise.

The central banks of Japan, West Germany, and Switzerland have all employed constitutional approaches in recent years, and all have had much more stable monetary policies. All have been much more successful than the American Fed in meeting their money growth targets (in five of the last six years, the Fed has missed its targets by a wide mark). And both interest rates and inflation have been much more stable. For example, the prime rate of Japanese long-term credit banks fluctuated between eight and nine percent between November 1980 and November 1983, before falling gradually to the current 7.2 percent.

This has not, of course, solved all these countries' economic problems. A stable monetary framework cannot undo the damage done by Germany's overregulation of its labor markets, nor can it provide jobs for Switzerland's unemployed watchmakers. All a stable monetary policy can do is provide some predictability for business decision-making.

One possible constitutional approach is to move to a commodity money such as a gold standard. An automatic monetary regime based on gold removes the political elements from the monetary process, and over the long run is

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probably the best guarantee of price stability. But it requires enormous political discipline, including a willingness to let the money supply decline when gold leaves the country as the result of a negative balance of payments. Under a gold standard, adjustment to balance of payments trouble requires a lowering of domestic prices relative to international prices in order to stimulate exports and to discourage imports. This adjustment is often painful, involving either lower wages or (if wages are inflexible) higher unemployment or both.

Adjustment is much less painful under our current floating exchange rate system. Now, when a country is in balance of payments trouble, adjustments occur through a rise in the price of internationally traded goods relative to the price of domestic goods. No domestic price has to come down. As under a gold standard, adjustment requires less domestic consumption and more production for export, but this does not have to be achieved through a reduction in prices or wages.

But a floating rate system will lead to worldwide inflation and instability if the central banks do not keep a tight ceiling on the growth of the money stock. This is exactly what has happened in the last 15 years. Paper money has eased the problems of balance of payments adjustment, but because it has been managed by irresponsible governments and central banks, particularly in the United States, it has given us an inflationary episode the likes of which we haven't seen in 200 years.

To get the benefits of a superior adjustment mechanism via floating rates, without paying the cost of accelerating inflation, we need to put a ceiling on money growth. The simplest way to achieve this is with a monetary rule, for example three or four percent money growth per year, as proposed by Milton Friedman 25 years ago. But Mr. Friedman has recently concluded that monetary rules are unrealistic because the Federal Reserve bureaucracy will simply refuse to follow them. His view is confirmed by the complete failure of the Fed to meet its monetary targets in the last 10 years. Money growth has diverged so significantly from the Fed's targets as to raise serious doubts about whether the Federal Reserve under its present mandate can follow any monetary guidelines at all.

An alternative constitutional approach would be to freeze the monetary base—currency plus bank reserves—after a transition period of several years. The Federal Reserve would no longer be able to vary the quantity of reserves it supplies to the banking system. It would therefore simply be unable to expand or contract the money supply at will. This discipline, of course, runs the risk of denying the economy the money that is necessary for doing business. But this problem could be solved if at the same time banks were permitted to issue bank notes redeemable in monetary base or in specie, or in anything else that the public would accept. By fixing the quantity of government-produced money, while allowing the competitive private production of hand-to-hand currency, it would be possible to keep inflation down while still responding to the needs of business. The price of this policy is that the Fed would abandon its function as lender of last resort.

Less stringent constitutional approaches are possible, for example a fixed growth rate for the monetary base instead of a freeze. Which rule is chosen is less important than that a rule be chosen. The crucial issue is to free ourselves from Volcker-like fine tuning and crisis management and to limit the quantity of fiat money that can be printed. We need a chairman who will devote himself to a stable monetary framework, so that people can buy a home today and not be terrified by concern over what prices and interest rates may be five or 10 years from now, and so that business planners can worry about changing technology and consumer choices and competition rather than interest rates and inflation.

If Paul Volcker with all his talents could not provide people with confidence in the future value of money, then we cannot expect much from managerial discretion. We must now be thinking about monetary rules.

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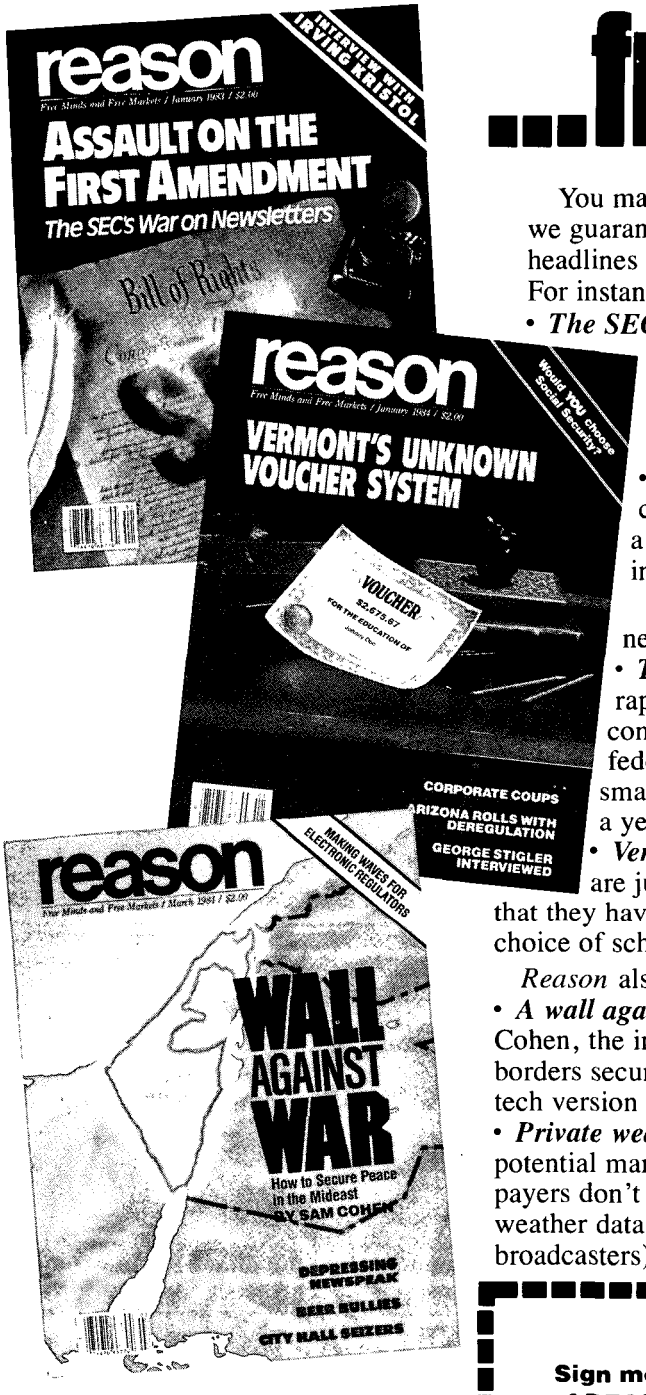
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Getting Away With Murder

Why the Juvenile Justice System Needs an Overhaul

Alfred S. Regnery

Children commit nearly one-third of serious crime in America. Our system of rendering justice for their crimes, however, is antiquated and largely incapable of dealing with the offenses they commit. Disliked by the public, by those who work in it, and even by many offenders, the juvenile justice system, which is supposed to act only in the "best interests of the child," serves neither the child, his victim, nor society. Juvenile crime rates since the 1950s have tripled, yet the theories and policies we use to deal with such crime fail to hold offenders accountable and do not deter crime. At best, they are outdated; at worst, they are a total failure, and may even abet the crimes they are supposed to prevent.

Some people still refuse to accept the fact that juveniles commit crimes. Prevailing social theory during much of the 20th century has been based on the belief that children under 18 do not have the mental capacity to distinguish between right and wrong, and thus should not be held accountable for their behavior, as are adults. Those who administer this social policy even use different language to enunciate the difference between children and adults. In the jargon of the juvenile court, children do not commit crimes, but "acts of delinquency." They are not found guilty by the court, but are "adjudicated delinquent." After adjudication, they are not punished, but are "treated." If secure confinement is necessary, it is not a jail or prison, but in a "detention center" or a "training school." When juveniles get out—usually not when they have completed a sentence, but when a social worker finds them "cured"—their records do not become part of the active police records, but are sealed to all the world.

Despite attempts by some to treat juvenile crimes as trivial indiscretions committed by misguided youth, the statistics suggest something different—a grave problem on a national scale. There are currently about 15 million Americans between 14 and 17, or about seven percent of the entire U.S. population; but about 30 percent of all people arrested for serious crimes are juveniles—a total of some 1.5 million arrests per year. (Police generally estimate that there are at least five offenses for each arrest.) The violence and intensity of these crimes is staggering. Of those arrests, 2,000 were for murder, 4,000 were for rape, and 34,000 were for aggravated assault. Despite the beliefs of certain social theorists, juveniles do commit crimes at a rate significantly higher than the rest of the population. In fact, 16-year-old boys commit crimes at a higher rate then any other single age group. These are criminals who happen to be young, not children who happen to commit crimes.

Institutional Jargon

Traditional juvenile justice policy could be said to have been inspired by Jean-Jacques Rousseau, the French philosopher who argued some 200 years ago that human beings are incapable of evil unless they are corrupted by the institutions of bourgeois society. And if society is the problem, it can also be the solution: Rousseau believed that properly structured government could inculcate goodness and virtue in man. Many juvenile justice professionals take this seriously; they believe that no matter how heinous the crimes committed by young people, no matter what pathological symptoms they demonstrate, they do not pose a threat to society; they should not be locked up but simply "brought into line" with the mainstream of society—in other words, they should be educated in civic virtue.

In a paper issued by the Carter Administration Justice Department in 1979, for example, youth crime was attributed to the effect of "large impersonal institutions—schools, juvenile justice systems, employment channels, public and private human service agencies, and others—on the development of young people, especially low income and minority youth." The paper concluded that all too often the "policies and practices of these institutions tend to inhibit the satisfactory development of young people. Many of the youth then turn to patterns of delinquency and crime."

The main solution advocated was development programs which, in the words of another Carter Administration Justice Department report, would seek the "cultivation of the three human social responses: the sense of

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confidence, the sense of belongingness, and the sense of usefulness." The report went on to suggest that youth should be offered "mechanisms which offer them the communication, coping, and decision-making skills they need to enter the mainstream of society; value clarification experience; opportunities for artistic self-expression; meaningful work experience; and involvement in community service and community decision making."

The violence and intensity of juvenile crimes is staggering: 2,000 arrests for murder, 4,000 for rape, and 34,000 for aggravated assault.

But these buzzwords (and they are little more than that) hardly come to terms with the reality of juvenile crime. A New York policeman recently profiled for me a typical candidate for juvenile arrest. Fourteen years old, the boy has already been arrested a dozen times. He dropped out of school years ago and cannot read or write; he has no job skills nor any hope of getting them. He is most likely black, possibly Hispanic, born to an unwed teenaged mother on welfare, living in public housing or a tenement, and has more than five siblings. A series of men have lived in his mother's house; the boy has not developed a rapport with any, and has tended to be regarded as a nuisance by the adults. He has been physically abused since early childhood, and he has spent a good deal of time living on the street. His only way of getting anything of value is either by theft or by going on welfare. This boy will survive, for most of his life, at the taxpayer's expense.

The bulk of our crime—probably 75 percent of all serious offenses—is committed by someone like our profiled youngster. Known as chronic offenders, these people comprise fewer than 10 percent of the population; in the case of juveniles, probably closer to seven percent. Yet because of the high rate at which they commit felonies, sometimes as many as 100 or more a year, they are responsible for a great proportion of robberies, burglaries, muggings and aggravated assaults, car thefts, rapes, and even a significant number of murders.

A University of Pennsylvania research project found that seven percent of the juvenile population committed over70 percent of all the serious juvenile crime. The research also revealed that there was an 80 percent certainty that boys arrested more than five times would continue to be arrested, again and again, well into their adult years.

Profiles in Carnage

Such children present problems to the juvenile justice system which evade all philosophical notions about crime. They present a problem which neither the social theorists, nor the police and prosecutors who would like to lock them up, can hope to alleviate more than temporarily. Chronic offenders pose the greatest threat to society and the greatest challenge to juvenile justice programs across the country.

Consider, for example, two typical juvenile cases, which appeared recently in Miami's juvenile courts. The first involves "Lester," a 15-year-old recently "adjudicated" by the court for burglary. Lester is black and has been arrested 12 times. His mother abandoned him at an early age, and he grew up in the streets of Miami, with occasional stops for a hot meal at a grandmother's house.

His record shows he has been placed in 20 shelter homes, and has run away from each of them. He commonly breaks into homes, steals cars, and hustles, then robs, homosexuals. He has rarely gone to school, is illiterate, and has been in and out of Florida's court system since he was 11. The first criminal charge was brought against him when he was 12. He was arrested for loitering, prowling, and finally burglary, for which he was sentenced to be "rehabilitated" in the state training school for six months. He was declared rehabilitated, but two weeks after returning to Miami, Lester was back in court for grand larceny.

Lester has been counselled, analyzed, rehabilitated, and trained. He has undergone therapy, and been placed in foster homes, state schools, socializing programs, and virtually every other sort of service available. None have made much difference. In 1981, his psychiatrist described Lester as an emotionally disturbed youngster who responded to his deficits by becoming distrustful, by decreasing verbal communication, and by increasing use of fantasy. The therapist concluded that all Lester was seeking was a warm and lasting relationship with an adult.

In 1982, a psychologist found him charming, affable, and fairly bright (he was found to have an IQ of 93) and just trying to survive. In 1983, a teacher at the state training school described him as disruptive and totally lacking in motivation.

The second Miami case involves a Hispanic male, 15 years old, recently convicted of armed robbery. Call him Marco. He has been arrested 12 times, is a member of a housing project gang, and is actively involved in drugs, burglary, and robbery. He has been described by his social workers as easygoing and with considerable potential, but is said to defy all efforts to socialization. He has also been analyzed as envisioning himself as a desperado, modeled after Al Pacino's role in *Scarface*. His father disappeared years ago, but his mother remarried, and his stepfather is presently serving a jail sentence in New Jersey for robbery. His mother is on welfare, and has seven children. Marco, who is slight for his age, cries whenever he is first locked up, but soon starts to thrive within the training school. As soon as he is released, he goes on a drug binge.

Marco has been in at least half a dozen programs, and in each case he promptly rises to a leadership position; as soon as he is released, he is back on drugs, and is shortly rearrested for breaking into a house or stealing a car. His stepfather has consistently helped Marco in his criminal undertakings, but also beats Marco unmercifully when something goes wrong. After the last beating, Marco notified the F.B.I. of his stepfather's whereabouts, resulting in his arrest and conviction.

Sadly, the juvenile justice system has shown little ability either to help such youngsters or to protect society from

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their crimes. In most of our major cities (where most serious juvenile crime exists), there is virtually no chance that juveniles who are first or second offenders will be punished. The lesson that the system provides to the offender is that he can continue to commit such acts because there is no penalty. The criminal's punishment is limited to listening to the psychobabble of social workers and therapists.

Folly of Rehabilitation

Rehabilitation has been the premise of the juvenile court system throughout the 20th century, but it has failed miserably. The late Robert Martinson reviewed the results of over 200 separate efforts to measure the effects of programs designed to rehabilitate convicted adult offenders. Martinson concluded, in what has become one of the most quoted phrases in modern criminology, that "with few and isolated exceptions, the rehabilitative efforts that have been reported so far had no appreciable effect on recidivism." Martinson did his review in the late 1960s; since that time, rehabilitation has sunk further in esteem, both in the eyes of the public and the professionals. The criminal justice system has all but given up on the concept. Virtually no successful juvenile programs—those that reduce recidivism to an appreciable degree—rely on rehabilitation.

Knowing what we do about the young people who finally wind up in correctional institutions, it is little wonder that we are unable to turn them back into good little boys (which they probably never were in the first place). As Harvard professor James Q. Wilson has said:

> It requires not merely optimism but heroic assumptions about the nature of man to lead one to suppose that a person finally sentenced after (in most cases) many brushes with the law, and having devoted a good part of his youth and young adulthood to misbehavior of every sort, should, by either the solemnity of prison or the skillfulness of a counselor, come to see the error of his ways and to experience a transformation of his character. We have learned how difficult it is by governmental means to improve the educational attainments of children or to restore stability and affection to the family, and in these cases we are often working with willing subjects in moments of admitted need. Criminal rehabilitation requires producing equivalent changes in unwilling subjects under conditions of duress or indifference.

Some advocates of rehabilitation thought a better idea would be to build a society so devoid of evil that young people would not be inclined to do wrong. If crimes are committed because of societal forces beyond the control of the individual offender, the logic runs, then remove those forces and change society. What better way to do so than to use the power, and the money, of the federal government?

A report issued by the Justice Department in 1976 had several recommendations for such changes. It cited three approaches to understanding and tackling juvenile crime. First, the individual approach, which "focuses on the pathology of the individual . . . including the identification of the emotional, motivational, and attitudinal factors that could explain delinquency." The solutions recommended were "psychotherapy, social casework, individual counselling, or behavior therapy as a means by which clients would be able to resolve their personality conflicts and assume a positive orientation towards society."

Second, the environmental approach "views situational conditions as the dominant factor in stimulating and perpetuating delinquent activity." Solution? "Remodeling and reorganizing the community so that potential offenders can find positive alternatives to delinquent activity. Programs using this approach attempt to deal with significant social institutions like the school or family and illegitimate institutions like gangs, street corner groups, and pool halls."

Described as easygoing by his social workers, "Marco" has been arrested 12 times, is a member of a housing project gang, and is actively involved in drugs, burglary, and robbery.

Finally, there is the theoretical approach, which "considers most delinquency programs harmful as well as ineffective . . . fundamental to this approach is the observation that delinquents are frequently not different from nondelinquents. Virtually all youth in the community have at some time been guilty of delinquent misconduct. Singling out only some of those delinquents may contribute to their behavior, however." Recommendation: "Prevention activities must avoid the effects of labeling and should strive for a universality of application to all children." In other words, everyone is a delinquent.

Notably absent from all of this is the deterrent approach, which views punishing the criminal as the best way to prevent future violations, protect the community, and achieve justice. Such notions are anathema to the social theorists, much of whose work has been a vain search for the institution which excuses aberrant behavior by young people. Thus poverty, racism, sexism, frustration from any number of problems, failure to do well in school, learning disabilities, inability to accept love, child abuse and neglect, adverse peer pressure, and a desire to be different have been identified as causes for children going astray.

Obviously, some of these are contributory factors. But the criminal justice system, adult as well as juvenile, must realize that ultimately crime is a matter of choice. It is not always true that criminals make conscious calculations that the benefits of crime exceed the risks. Yet there is a calculus of risks and rewards in the criminal mind, evidenced by the fact that as society diminished the certainty and duration of punishment for crime in the last few decades, crime rates soared.

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Value of Deterrence

What can be done to ameliorate the problem of juvenile crime? First, the deterrent approach should be the main focus of the justice system. This does not mean that we should not continue to look for rehabilitation programs that actually work, even if the record does not give us grounds for optimism. It does mean that rehabilitation should not be a substitute for justice.

For the past 85 years, the courts have been making decisions about juveniles based almost exclusively on "what is in the best interests of the child." Ironically, the remedies proposed have not measurably helped children's interests. Our juvenile courts should continue to act for the benefit of children, but they should also seek justice and consider the rights of the victims of crime.

The juvenile justice system should abandon its practice of sealing the records of young criminals when they become adults. The rationale for this practice was the idea that these youths should have "learned their lesson" by the time they turned 18, and should be permitted to begin their new life as adults without previous errors being held against them. The only problem is that the most fertile age for crime, statistics show, is between 16 and 24. Thus many juvenile criminals are just getting started on a career of crime. To seal their records is to conceal from the police and prosecutor their previous actions, and crime prevention becomes more difficult.

Nor is it obvious that sealing juvenile records helps the juveniles themselves. As Charles Murray points out in *Losing Ground:*

> By promising to make the record secret, or even more dramatically, by actually destroying the physical record, the juvenile justice system led the youth to believe that no matter what he did as a juvenile, or how often, it would be as if it had never happened once he reached his 18th birthday. Tight restrictions on access to the juvenile arrest and court records radically limited liability for exactly that behavior—chronic, violent delinquency—that the population at large was bemoaning.

So not only do police find it tougher to identify crime subjects, but juveniles enter adulthood under the illusion that they can get away with criminal behavior—get away with murder, so to speak. To their shock, many of them discover that this is not the case after age 18.

Another step that juvenile justice professionals should consider is reducing the traditional distinction between juveniles and adults. Criminals should be treated as criminals. It is true that environmental factors may contribute to some juvenile crimes, but this is also true of adult crimes. Society may wish to be lenient with first offenders, particularly for lesser crimes, but there is no reason that society should be more lenient with a 16-year-old first offender than a 30-year-old first offender. Anyone familiar with the nature of juvenile crime will not make the argument that juvenile crimes differ in their magnitude or brutality than adult crimes; in many cases the reverse is true. So the current approach, which makes a radical distinction between criminals under 18 and those over 18, is often counterproductive.

Local Initiatives

Various states are experimenting with innovative approaches to controlling juvenile crime. Many large cities, for example, are beginning to focus their resources on chronic offenders, who commit most violent crime. Techniques include improved record keeping, specialized crime analysis techniques, and "vertical prosecution"—where one prosecutor sticks with a case from arrest through sentencing.

The results are encouraging. In Cook County, Illinois, 400 juveniles with four arrests each for serious crimes were tried according to this approach in a 10 month period; 90 percent were convicted and sentenced. Assuming that the juveniles committed five crimes for each arrest, a conservative estimate, the 360 convicted youths had already committed 7,200 serious crimes. It's about time they were stopped.

Another promising state initiative is restitution, a program in which property offenders are required to reimburse their victims. This has the advantage of giving the community back some of the goods it loses through theft and vandalism, but it also helps teach accountability and responsibility to the offender. Prince Georges County, Maryland, collected over $750,000 for victims of juvenile offenders in the past three years, at a cost to the county of about five cents on the dollar.

The juvenile system also needs to rely more on the private sector, as well as on volunteer citizens to assist young offenders, instead of placing total reliance on government and professionals. A number of privately owned and operated correctional programs now exist, for example, usually at substantially lower costs than public institutions; these programs are often more responsive to the needs of both the offender and society, and are much more innovative than public programs. The private sector is also increasing its role and influence in probation services, either by assisting public systems, or by actually running probation on a contract basis. These programs use parents and other volunteers to work with marginally delinquent youth. Yet officials within the system, and public employee unions, often do everything in their power to torpedo such services, usually out of fear that volunteers will displace their salaried positions.

Through the Office of Juvenile Justice and Delinquency Prevention, the federal government has been encouraging these initiatives. The primary responsibility to tackle the problems of juvenile crime rests with state and local governments, though the Justice Department will continue to encourage pilot programs across the country.

But we need the help of juvenile justice professionals, state legislatures, and the public to place justice, reason, and common sense above social experimentation. If we do, the victim, society, and even the offenders themselves will benefit. If we don't, there will be more of the same. ☎

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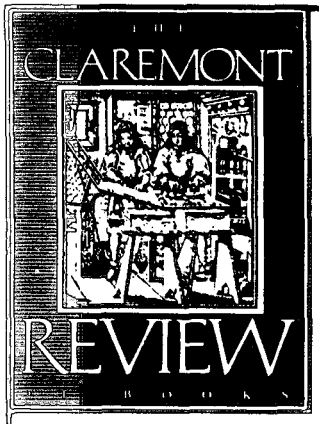

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SECULAR INHUMANISM

The Soviet Union's War Against Christians, Muslims, and Jews

REVEREND MICHAEL BOURDEAUX

Few will deny that there is religious persecution in the Soviet Union. Indeed, periodically the Western media will take up a harassed religious believer as a cause celebre. Sometimes pressure from abroad even results in the release of that particular victim, with permission to emigrate. Such isolated cases, however, do not come close to indicating the widespread and systematic suppression of religious belief in the Soviet Union, a state whose official ideology includes atheism.

Take the case of Sister Valeriya Makeyeva, who was arrested in Moscow in April 1979 and accused of engaging in "illegal trade." Her crime consisted of making small religious artifacts, such as belts embroidered with quotations from the Psalms, and selling them at a moderate price to believers. Sister Makeyeva was placed in a penal psychiatric hospital and subjected to forced injections that paralyzed her right arm. She was released three years later, after enormous pressure from the West.

The release of Sister Makeyeva was hailed as a very liberal gesture by the Soviet Union. There was talk about a more humane attitude toward religion, an ameliorating of harsh sanctions, a more progressive and practical approach by the new Soviet leadership. Ironically, the harsh and widespread anti-religious campaign of the Soviet state has diminished expectations in the West to such an extent that the freeing of a single prisoner is met with relief and gratitude. But in fact all religious believers in the Soviet Union, more than 80 million by the most conservative estimate, are prisoners of the totalitarian system. Their souls may be free, but they are not permitted the basic human right to worship in the way that their beliefs dictate.

Politicians, journalists, and even many clergymen in the West have not focused on the structural and systematic persecution of religion in the Soviet Union because, despite concern for human rights, they worry about embarrassing the leadership in Moscow or possibly making conditions worse. The predominant impulse of many of these Western leaders is to present the Soviet leadership as not very different from our own, motivated by a desire to improve the lot of the people, struggling to work around the barriers of outdated Marxist-Leninist ideology, anxious to effect reforms. Reports of Soviet brutality toward religious believers are particularly inconvenient when they surface during arms or trade negotiations between the two countries.

Yet if the West is going to deal with the Soviet Union, as it must, it should recognize with whom it is dealing. Religious freedom is just one of the freedoms denied by the Soviet state, but it is a vital one, because it expresses the deepest longing of the human spirit. Hostility to the right of religious worship is, in a sense, hostility to the nature of man himself. There are few more insidious things a nation can do than try to harness its citizens' religious impulses for service to the state.

The most effective way in which religion is suppressed in the Soviet Union is by greatly restricting the number of churches licensed to operate. There are approximately 14,400 churches in the Soviet Union, for a Christian population of 58 million: one church for every 3,973 believers. In 1917, before the Bolsheviks took over, the Russian Orthodox church alone had 54,174 churches. Most of these are now secular buildings or have been destroyed.

By comparison, the United States has 385,000 Christian churches, one for every 517 Americans. Moreover, churches in the United States are widely scattered, so that it is convenient for most people to commute to religious services. In the Soviet Union, there are far more churches in the remote western areas than in the east. Few Soviet citizens have private cars and the authorities ensure that there is no transport to open churches, the nearest of which may be hundreds of miles away.

Religion does not dwell in buildings, however, but in the heart. Despite enduring difficulties faced by believers, the Soviet Union has not succeeded in eradicating religion. But this is not for lack of trying. What religious strength there is in the Soviet Union is a testament to the tremendous faith and heroism of the believers themselves. Over the

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years, we have seen some religious denominations lose ground, such as the Lutherans in Latvia and Estonia, while others have grown—the Baptist and Methodist groups are doing fairly well, and there are even indications of thriving Islamic and Jewish communities. Overall, the number of young and middle-aged people coming into the various churches in the Soviet Union equals or slightly exceeds the number of old people dying. In this limited sense, there is a "religious revival."

Back to the Future

The assault on religion goes back to the Bolsheviks' rise to power. Marxism, the philosophy adopted by the revolutionaries, considers religion an agent of bourgeois reaction, an "opium" giving people promises of a future life, while opposing changes in this life. Atheism is a necessary ingredient of scientific Communism, Marx held; religion is, by its nature, unscientific and irrational. The Bolsheviks found that, practically speaking, religious believers tended not to be members of the Communist Party because they held their transcendent beliefs to be more authoritative than Communism. Religious believers can never make the state their supreme authority, so they pose a constant threat to the Soviet state's ambition to secure the total allegiance of its subjects. And if religion does not "wither away" when confronted with scientific education, as Marxist theory predicts, then the Communist state is willing to use its power to give it a shove and speed up the process of history.

In the early days of the revolution, churches were made to forfeit their right to own their buildings. In 1918, Lenin mandated that churches not instruct children, even if their parents specifically requested religious training. In 1929, a new ruling restricted religious activity to churches registered by the state, a system that has remained in effect until today.

Thousands of church leaders were arrested and imprisoned in the 1920s. In the 1930s, Stalin closed more than 10,000 churches and denied registration to new ones. During the purges of the 1930s, scarcely a priest or pastor remained actively at his post in an open church; most of those who tried to do so were imprisoned. The Russian Orthodox church virtually ceased to exist as an institution, though a vigorous underground kept it alive. After breaking the Orthodox Church, the Communists turned on the various small Protestant denominations.

World War II led to a dramatic upturn in the fortunes of the church. Stalin, caught totally unprepared, needed help, and the Orthodox Church was an effective way to rally Soviet patriotism. Those clergy who would promise loyalty to the regime returned to their parishes; many churches reopened. Religion revived behind German lines as well, as the Nazis tried to win over the population by allowing churches to reopen.

After the war, some of these improvements were institutionalized. The state permitted the Orthodox Church's central administration, the Moscow Patriarchate, to publish a small journal. Theological education, discontinued nearly 30 years earlier, began again, albeit in restricted form. Some monasteries reopened, as did perhaps 20,000 Orthodox churches.

Post-Stalin Persecution

After the war, Stalin tried to break the power of religion in the newly-acquired Baltic states. Men and women in all leading church positions were deported from the Baltic states to Siberia, weakening the Lithuanian Catholics and the Latvian and Estonian Lutherans. In the Western Ukraine, the Eastern Rite Catholic Church was liquidated in 1946 because it was considered anti-Soviet. The only way the four million Eastern Rite Catholics could avoid physical persecution was to join the Russian Orthodox Church, which took over those Catholic church buildings which remained open.

Sister Valeriya Makeyeva, arrested in 1979 for making belts embroidered with quotations from the Psalms, was placed in a penal psychiatric hospital and subjected to forced injections that paralyzed her right arm.

The symbol of Catholic resistance was Archbishop (later Cardinal) Iosyf Slipyj, the most senior of hundreds of Eastern Rite clergy who were imprisoned. He was released by Khrushchev after repeated requests from the Vatican and went to Rome, where he became the symbol of Ukrainian resistance until his death in 1984, aged 92.

Religion gained ground during the struggle for succession after the death of Stalin in 1953, but the emergence of Nikita Khrushchev as leader was an absolute disaster for religious life in the Soviet Union. His persecution of churches rivalled even Stalin's. Thousands of Orthodox and Baptist churches were closed in 1959; by the early 1960s, only eight theological seminaries remained open. Monasticism was virtually obliterated. Khrushchev institutionalized his campaign against religion so effectively that many of his policies have survived intact since his death.

One curious consequence of Khrushchev's harsh persecution was the burgeoning of truly independent movements within the official denominations: the so-called "Church of Silence." This was not because of any liberalization on the part of the authorities but a response to fears that Khrushchev's repression would erase all the concessions the churches had painfully obtained during the postwar years. The Christian human rights movement gained ground rapidly among Protestants and Catholics, although progress was slower among the Russian Orthodox.

In 1979, spurred partly by the initiative of his successor-to-be, Yuri Andropov, Leonid Brezhnev began a massive campaign to stamp out this independent voice. Activists were jailed and beaten, forcing the church to go under-

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ground.

Andropov kept up the crusade against the independent church during his brief tenure in office. He initiated the procedure of re-sentencing Christians, so that new jail terms would go into effect as soon as the old sentences expired. Saying private prayers aloud in jail was treated as a crime, for which some Christians are serving extra sentences.

The late Konstantin Chernenko also participated in the anti-religious campaign. In June 1983, when he was chief ideologist, he attacked the growing influence of religion among the young, the first time in many years that a top Kremlin leader had spoken out on the subject. From the last days of Leonid Brezhnev to the accession of Mikhail Gorbachev, the number of Christians in prison for breaking the anti-religious laws increased fourfold.

There is no comparable strain of atheist activism in the record of Gorbachev. We have no hard evidence about what policy he may adopt on religion. We know only that he was visibly angered on his visit to London last December when a Member of Parliament, Norman St. John Stevas, raised issues of religious persecution and human rights at a meeting in the House of Commons.

Despite talk in the West about Gorbachev's "reforms," there is not much ground for optimism. Marxism-Leninism has had to make concessions to religion in practice in the past, but it has never gone back on its commitment to eradicate it. For the Soviet leadership, religion is a problem—like corruption, bad harvests, and drunkenness—to be tackled and eliminated. If Gorbachev proves to be an executive of this dogma—a "reformer" only in his greater efficiency—it is tragic news for religion.

Drawing by Brooks Ingraham

The Russian Orthodox

What is the situation of Soviet believers today? Let us consider the plight of various denominations in the Soviet Union.

There are probably about 35 to 40 million Orthodox believers in the Soviet Union today—approximately one-seventh of the population. About 20,000 churches were open after the war, but two-thirds were closed by Khrushchev and the decline has continued steadily since. In 1974, figures leaked by the government's Council on Religious Affairs suggest that 7,500 churches were open then, 1,000 of them not in use.

The venerable monastic tradition of the Orthodox Church has been devastated. There are six monasteries and 10 convents now, down from 69 in 1958 and several hundred before 1917. Not one exists east of Moscow and 14 are in the non-Russian republics. Only two—the monasteries at Zagorsk and Pskov—are on Russian soil. The Soviet government has permitted the reconstruction of an impressive monastery recently, but it is more likely to be a place of administration than of prayer. Yet it never fails to impress foreign visitors to the Soviet Union who marvel that religion is, contrary to the impression they were given, quite healthy behind the Iron Curtain.

There are more Orthodox theology students now than at any time since 1917. But seminary space is severely restricted; Archbishop Vladimir of Dmitrov says that

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there are four to five applicants for every place. The presence of these theology students, however, means that the Orthodox Church is likely to have replacements for its 5,994 priests (1974 figure), many of whom are over 60.

Recently the Moscow Patriarchate has been allowed a slight increase in the amount of religious literature it can publish. But the church still cannot own a printing press and must negotiate to use the state presses for every enterprise. There are two journals, one in Russian, one in Ukrainian, and an occasional periodical called *Theological Works*. All display the heavy hand of censorship. Fewer than half a million copies of the Bible have been printed in the last 30 years. Distribution has been uneven and not even all theological students have copies. A person who lives far from a church cannot supplement his religious awareness by reading, because no general theological works, not even a concordance or Bible commentary, have been published since the revolution.

Since the mid-1960s, religious leaders have tried to bring these restrictions and violations of religious liberty into the open, not only for internal discussion and petitioning of the Soviet government, but also to present them before the court of world opinion. This campaign was initiated in 1965 by two priests, Nikolai Eshliman and Gleb Yakunin.

After a decade of silence decreed by the Patriarch of Moscow, Father Yakunin renewed his activism in the fall of 1975. He wrote a letter to the Fourth Assembly of the World Council of Churches in Nairobi, urging it to support religious rights in the Soviet Union. Father Yakunin made a detailed and impressive documentation of rights violations, and expressed confidence that his ecumenical appeal would draw support. The publication of his appeal stirred many delegates to express concern, though Soviet delegates responded by accusing Father Yakunin of hostility to ecumenism. In 1979, Father Yakunin was again imprisoned and sentenced to 10 years of jail and exile.

The Russian Orthodox Church survives today, but it is beleaguered. At least in theory, the official church provides a safeguard against the excesses of persecution, and it participates in a world network of religious groups. But it is totally dependent. The state derives considerable political capital from the support of the Orthodox Church of its foreign policy positions—support essential for the church's continued existence. Thus the Orthodox Church has spoken out in favor of every Soviet foreign and domestic policy, including the invasion of Afghanistan.

The Baptists

There are several million Baptists, evangelical Christians, and Pentecostals in the Soviet Union. The exact number is impossible to compute because so many communities are unregistered. State persecution has caused Baptists and evangelicals to scatter to remote areas of the country; it has also helped bring about divisions in the church.

In 1961, in one of the most devastating acts of Khrushchev's anti-religious campaign, the authorities forced the All-Union Council of Evangelical Christians and Baptists to accept new regulations limiting the rights of the Church to evangelize, even in the context of official services. The failure of the Baptist leadership to offer effective resistance to these measures led to the emergence of an independent opposition group, the *Initsiativniki,* or Reform Baptists. This group showed a high degree of organization and determination in the face of what is now almost a quarter of a century of relentless oppression; ironically, as a result of this opposition, the All-Union Council managed to win concessions which would have been unmanageable at the time the split began.

Before Soviet rule, there were 25,000 mosques in Central Asia; now there are 500.

Why, then, does the schism persist? The main reason is that the state has never allowed the reformers a chance to settle differences with the registered Baptists. Never since 1961 has the *Initsiativniki* leadership been able to come out into the open. Their top leaders, and hundreds of local activists, have been imprisoned time and again. One of the co-founders of the movement, Gennadi Kryuchkov, has been in hiding from the police since completing a three-year term of imprisonment in 1969. The other founder, Georgi Vins, was imprisoned with Kryuchkov in 1966, then sentenced to 10 years in 1974, and then suddenly sent into forcible exile to the United States. Under impossible conditions, the *Initsiativniki* kept in touch with each other, operated secret printing presses, and sent abroad a stream of information about the conditions under which they had to live.

One of the most successful Soviet propaganda campaigns of the post-war years has been the blackening of the name of these Baptists on the international scene. The Soviet authorities, and sometimes even registered Baptist leaders, have called the *Initsiativniki* troublemakers, people with a martyr complex, power-seekers, criminals who have received their just desserts for their persistent lawbreaking. In fact, they just want to register their communities and live a quiet, legal existence. But Soviet policy has consistently been to refuse them registration and then to punish them for not being registered.

The Reform Baptists have drawn the brunt of persecution away from their registered brethren, giving the latter a breathing space to strengthen their position. They can point to some improvements in recent years: a few more churches registered, a few more Bibles printed, the promise of a residential seminary, a better opportunity to participate in international movements and to be in contact with Baptists in other parts of the world.

The Catholics

The last decade has seen more developments among Soviet Catholics than any other part of the religious community. This is due in part to the impact of the election of a Polish Pope, who is correctly seen by Soviet Catholics as someone who understands their situation and wishes to

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improve it. There are four main bodies of Catholics in the Soviet Union. One is the diaspora, scattered thinly over the immense territory of Siberia and Soviet Central Asia. Many of them were exiled or deported during the Stalin period. The other groups are more concentrated. The Ukrainian Catholics of the Eastern Rite, whose church was forcibly liquidated in 1946, now comprise the largest "catacomb" church in the Soviet Union. There are over two million Western Rite Catholics in Lithuania and another million in Belorussia, although the latter group lacks administration. Taking all these groups together, the number of Catholics is nearly 10 million.

News of the Catholic diaspora has begun to seep out recently. For example, we know a little about Father Josif Swidnicki, 47, a Polish priest who lived in Latvia. Though unable to gain entry to the tiny theological seminary there, he was secretly ordained in 1971. This led the Soviet authorities to exile him to Central Asia, where he found a fruitful field for ministry among the two million ethnic Germans, descendants of 18th-century colonists. He eventually obtained a license to work as a priest 10 years ago, when anti-religious policies were being less severely implemented. A year ago Father Swidnicki decided to go to Novosibirsk, a huge city which had no Catholic church until very recently. He secured permission to build and open one, but then the authorities moved in and arrested him. His parishioners have received no news of him since.

Courtesy of National Conference on Soviet Jewry.

"Refusenik," Iosif Begun

In 1983, undoubtedly under the impact of the Polish Pope in Rome, Ukrainian Catholics began to present their case to the Soviet government and to the world in a more decisive way. In September, a layman, Iosyf Terelya, who had already spent 18 of his 39 years in prison and psychiatric detention for his religious activities, announced the formation of an "Initiative Group for the Defense of the Rights of Believers and the Church," an act of the highest bravery in view of the savage treatment, including murder, which had recently been meted out to similar Christian groups. Terelya, however, pressed on. He wrote to the Central Committee of the Ukrainian Communist Party:

> Despite the prognoses of some Party members, we are living, growing, and triumphing. The trials and persecution suffered by Catholics in Ukraine have strengthened us even more in the faith and have given us the opportunity to sound the depths of God's providence. I can state without exaggeration that there is nothing greater than to die as a Catholic in a Communist prison.

Inevitably, Terelya was soon back in detention. A Russian Orthodox girl from Moscow, Yelena Sannikova, crossing the lines of traditional ecclesiastical rivalries, wrote an impassioned letter in his defense in February 1983, which led to her own arrest soon after.

Far from being terrorized into silence, the Ukrainian Catholics have become even more determined. In January 1984 (though it took over a year for the text to reach the West), the activists launched a new clandestine journal, the *Chronicle of the Catholic Church in Ukraine.* Eight issues have been produced so far, though the last announces temporary suspension because of the confiscation of their typewriters and materials by the K.G.B. The publication, very similar to the 10-year-old *Chronicle of the Lithuanian Catholic Church,* gives massive new information abut the Catholic religious situation in Ukraine as well as listing arrests of Baptists, Orthodox, and Jehovah's Witnesses.

Over 900 people, the third *Chronicle* tells us, surrendered or burned their passports early in 1984 in a remarkable act of civil disobedience. This same issue reprints a letter of support from Ukrainian Catholics to Lech Walesa and Polish Solidarity, a bridge which, if firmly established, would cause more than a little nervousness on the part of the Soviet authorities.

In Lithuania, the Roman Catholic Church has proved remarkably durable, both in membership and structure. A united population has kept 574 churches open, and the number of seminarians has doubled since Khrushchev's day. The founding of the clandestine *Chronicle* in 1972 informed the world about religious persecution in an unbroken stream of accurate information that the authorities have been unable to suppress. The persecution in Lithuania has often been violent. Father Bronius Laurinavicius, a key member of the Lithuanian Helsinki Monitoring Group, was murdered in 1981 and the leaders of the Catholic Committee for Believers' Rights, a group linked to the one founded by Father Gleb Yakunin in Moscow, are undergoing lengthy prison sentences.

The Jews

The 2.7 million strong Jewish population of the U.S.S.R. suffers both from nationalistic antisemitism and from religious persecution.

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A harsh campaign has been carried out against the Jewish religion and its practices since 1917. Jewish religious schools were closed in the 1920s, and there have been efforts to prevent Jews from keeping the Sabbath and celebrating Jewish festivals such as Passover or Yom Kippur. In the 1960s, the Soviet authorities even forbade the baking of matzos.

There are now only 69 synagogues, compared with 5,000 in 1917. The mass imprisonment of rabbis in the 1930s as "spies for the fascist secret services," and the Soviet government's refusal to allow a yeshiva to train new rabbis until 1956 have led to a serious shortage of trained religious leaders. There are only 10 rabbinical students, though three or four students are allowed to follow courses in Budapest and one or two in New York every year. There have been no Jewish religious publications since 1917, except for a few calendars and prayer books in 1956. The study of Hebrew is forbidden, because it is seen as a "Zionist" activity.

"Anti-Zionism"—the Soviet Union's opposition to the state of Israel, especially since the Six Day War in 1967—is often a mere cover for antisemitism. The 1964 book *Judaism without Embellishment,* with its antisemitic cartoons, and the school textbook, *The Poisons of Zionism,* show this quite clearly. The increase in "anti-Zionist" articles and books over the last few years and the foundation of an Anti-Zionist Committee in 1983 were a clear reaction to the Jewish emigration movement of the 1970s which demanded the right of Soviet Jews to emigrate to Israel. At first the Soviet government allowed some emigration, but the numbers allowed to emigrate fell from 51,300 in 1979 to 1,315 in 1983. In recent years, a number of Jewish activists and "refuseniks," such as Iosif Begun, Ilya Essas, and Yuri Tarnopolsky, have been imprisoned for "slander of the Soviet state."

The Muslims

The Islamic population of the U.S.S.R. is largely concentrated in the Central Asian republics, with smaller groups in the Caucasus, Bashkiria, and Kazan areas. Before they came under Soviet rule, there were about 25,000 mosques in these areas: now there are 400 to 500. About 45 million Soviet citizens belong to "Muslim nations"—of these, as many as 80 percent may be religious believers. Soviet Muslims are mainly Shiite, but there is a significant Sunni minority. There are also large clandestine groups influenced by Sufi mysticism.

Officially, the Muslim religion in the U.S.S.R. is organized through four Religious Boards, each headed by a mufti. The state permits two *madressahs* to train 70 students each for the Muslim clergy. Twenty mullahs a year are ordained. The only official Islamic magazine, *Muslims of the Soviet East,* is not printed in the local languages. Muslims who produce unofficial religious literature, such as *Islamic Truth,* are liable for arrest and imprisonment.

The Soviet authorities have two main fears regarding their Islamic population. First, their high rate of growth—45 percent over the last 10 years, compared to 13 percent for Russians—threatens to make them almost equal in numbers to the Russians by the middle of the 21st century. By the year 2000, there will be 100 million members of "Muslim" nationalities. Second, the Soviet government is afraid that these Muslims will establish closer ties with their fellows abroad, especially Afghanistan.

The Buddhists

At the time of the Bolshevik revolution, there were about half a million Buddhists in the Soviet Union. Now that number is greatly reduced, though it is very difficult to get reliable data.

Despite an attempt in the 1920s by Lama Dordzhiev to found a form of "Buddhist modernism" compatible with Communism and even with atheism, the whole organization of the Buddhist religion was systematically crushed by Stalin in the 1930s. Some Buddhist nationalities, such as the Kalmyks, were deported en masse. Lamas were imprisoned wherever they were found, often as agents of "Japanese imperialism."

In the 1940s and 1950s, the Buddhists were granted a few concessions. Two Buddhist monasteries were opened in 1944-45, one near Chita, the other near Ulan-Ude. In 1950, the Ulan-Ude monastery became the seat of the newly formed "Buddhist Central Council of the U.S.S.R.," including the head lama. It also houses the only library of Buddhist books in the U.S.S.R.

Lama Gamboyev, the present head lama in the U.S.S.R., told the *New York Times* that there are 40 lamas and 20 novices in the two Soviet monasteries and that four to seven novices "graduate" annually. There are also about 200 "lay lamas." Ten Soviet novices are studying in a monastery in Mongolia, the adjacent quasi-independent state.

Soviet authorities have arrested members of groups formed to study Buddhism, like that formed around Bidya Dandaron in 1972. Dandaron himself, a renowned scholar and expert on Buddhism and the Tibetan language, was sentenced to five years imprisonment and died in a camp in 1974.

That there is growing interest in Buddhism among the intelligentsia, both Russians and those belonging to the Buddhist nationalities, is demonstrated by recent articles in the Soviet press warning readers against Buddhism.

Spirit of Resistance

This, then, is the state of religion in the Soviet Union today. Religious practice is being constantly suffocated by the Communist authorities, but religious worship continues, sometimes covertly, sometimes in brazen defiance of the rules. The enormous resources the Soviet state devotes to exterminating religion, and the harsh punishment it metes out to believers, show the extent of its antipathy to basic human freedoms. But the fact that it has failed to stamp out religious belief shows the irrepressibility of the human spirit—a spirit which endures even in the face of totalitarian resistance.

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LABOR PAINS

Don't Blame the N.L.R.B. for the Drop in Union Membership

CAIT MURPHY

Is President Reagan's National Labor Relations Board unfair to organized labor? Yes, say union leaders in a rare display of unanimity. "Palpably unfair" complains Max Zimny, general counsel of the International Ladies' Garment Worker Union. "Hostile to labor" says Laurence Gold, general counsel for the AFL-CIO. "Not only anti-labor but anti-employee," declares George Murphy, general counsel of the United Food and Commercial Workers Union. "Ideological in the extreme," agrees Earl V. Brown of the United Mine Workers of America. Similar charges have been levied by many congressmen. "The tone of the decisions has been almost militantly anti-labor," says Barney Frank, Democrat of Massachusetts. His colleague, William Clay of Missouri, contended that "labor law has failed" in hearings in October 1984, pinning much of the blame on the Reagan appointees.

Such talk is hardly new. Never in the 50 years of its existence has the N.L.R.B. satisfied both labor and management. Yet recently, the rhetoric seems to have taken on a shriller pitch, as union leaders blast the board for anti-union prejudice, disregard of precedent, and intentional delay. As Edward Miller, chairman of the board from 1970-74 noted in congressional hearings last year, the criticism of the Reagan board has reached "the point of absurd hysteria."

The Reagan era began in May 1983, when his third appointee, Patricia Diaz Dennis, joined Robert Hunter and Chairman Donald Dotson on the five-person board. To the dismay of union leaders, the new board quickly reversed at least 17 major Carter and Ford-era precedents. In two cases, the N.L.R.B. asked to reconsider cases waiting to be heard before the courts, an unusual request. It is largely this initial flurry of "lead cases," decisions that affect major points of labor law, that cost the N.L.R.B. its rapport with unions.

Yet an examination of the most controversial decisions reveals that none reversed longstanding precedent (see chart) and none threaten the basic core of labor law. The rights to organize, strike, and bargain collectively are in no danger.

The Reagan N.L.R.B. has taken away the special advantages that the board had given unions in the Carter years, but it still provides a framework where workers who genuinely want unions can organize them. A number of the lead cases illustrate well the philosophical differences between the Carter and Reagan boards. For example, the Reagan majority is more likely to interpret strictly the language of labor contracts; the Carter board was apt to grant unions prerogatives for which they had not successfully bargained. In the most important test of this principle, *Milwaukee Spring II* (January 1984), the Reagan board overturned a 1982 Carter majority decision and ruled that employers may move operations to a non-union facility to lower labor costs, as long as it first bargains with the union and the contract does not have a work preservation clause. The Carter majority had ruled that unions must approve of a plant relocation, giving them, in effect, veto power over such decisions even when they had not bargained for the privilege.

Milwaukee Spring II can hardly be considered anti-union. In practice, all it means is that if workers want to protect themselves against plant relocations, their unions should negotiate work preservation clauses. The U.S. Court of Appeals for the District of Columbia unanimously upheld the board's decision last June.

In another case turning on contract interpretation, last January the board ruled in *Indianapolis Power and Light Company* that "if a collective bargaining agreement prohibits strikes, we shall read the prohibition plainly and literally as prohibiting all strikes." Previously, the Carter board had ruled that sympathy strikes were not covered by no-strike clauses, again conferring rights on unions for which they had not bargained.

The current board is also emphatic in its desire to limit the role of the federal government in deciding labor disputes. It does this in two ways: by seeking alternative methods of resolving disputes, and by limiting its jurisdiction. Ruling in *United Technologies* and *Olin Corporation,* for example, the board extended the circumstances under which it will defer to arbitration, reversing 1977 and 1982 decisions. The new board policy is that it will defer to private arbitration as long as the parties had voluntarily

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agreed to be bound by the result, the proceedings were fair, the decision is not "clearly repugnant" to the National Labor Relations Act and the arbitrator has considered the unfair labor practice issue. The Carter board had emasculated arbitration by ruling that it would defer only when it would have decided the case in the same way as the arbitrator. Why deference to mutually agreed upon procedures should be considered a blow to unions is mystifying, but the decisions were vociferously opposed by organized labor.

The Reagan board's most controversial decision yet has probably been *Meyers Industries,* which dismissed an unfair labor practice complaint brought by a truck driver who was fired for refusing to drive an unsafe truck. The board concluded that it did not have the power to address his grievance.

The Reagan board interprets strictly the mandate of the N.L.R.A. to protect employees' concerted efforts to organize into unions and to act together to improve working conditions. It will not extend the protection of the N.L.R.A. to workers who either act alone or whose actions are not related to organizing or working conditions. Though the board expressed sympathy for the unfortunate trucker, it concluded, "We are not empowered to correct all immorality or even illegality arising under the total fabric of federal and state laws."

The proper recourse for the truck driver, according to the decision, was not the N.L.R.B. but OSHA, the courts, or other grievance mechanisms. Though *Meyers Industries* is consistent with the intent of the N.L.R.A. and returns to a 1971 precedent, it may be short-lived, as the U.S. Court of Appeals for the District of Columbia found the ruling too limited and has remanded the case for reconsideration.

Majority Rule

In another controversial case, the Reagan board stripped itself of a power the Carter board had granted itself just two years before: it will not order an employer to bargain with a union unless the majority of employees have in some way demonstrated support for the union. This was board policy until 1982, when a Carter-majority board required Conair Corporation to bargain with the union, even though there was no indication that a majority of Conair's employees wanted the union to represent them. (An election was not held because of Conair's threats and unfair election practices, and only 46 percent of employees had authorized union representation.)

The District Appeals Court reversed *Conair,* stating that non-majority bargaining orders were not within the board's "remedial jurisdiction." As board member Robert Hunter pointed out in an article in *Labor Law Journal,* the logical extension of *Conair* would be to require businesses to bargain with a union that "evidenced no employee support whatsoever." Following the court's lead, the board reversed the *Conair* policy in May 1984, ruling that it would never impose a non-majority bargaining order because it would violate the principle of majority rule and the history of the N.L.R.B.

The Reagan board also emphasizes the rights of individual employees more than its predecessor. When there is a choice between employee rights and union rights, the board protects the individual. In *Neufield Porsche-Audi* (1984), for example, the board ruled that a union may not restrict the right of its members to resign, even during a strike, overruling a 1982 holding that required 30-day notice of resignation. This is a thorny question which pits what Earl Brown of the United Mine Workers called "the right of an autonomous institution to police its own members" against the right of individuals not to take part in an action with which they disagree. Typically, the board chose to protect the individual, not the union. The Supreme Court upheld the principle last July in a similar case, *Pattern Makers League of North America.*

Finally, the board is stricter in setting the limits of picket line and strike conduct. In *Clear Pine Mouldings* (1984),

REAGAN N.L.R.B. LEAD DECISIONS

December 20, 1983: Our Way, Inc. reversed TRW Bearings, 1981

January 6, 1984: Meyers Industries, Inc. reversed Alleluia Cushion, 1975

January 19, 1984: Olin Corporation reversed Propoco, Inc., 1982

January 19, 1984: United Technologies Corp. reversed General American Transportation Corp., 1977

January 23, 1984: Milwaukee Spring Division of Illinois Coil and Spring Company reversed Milwaukee Spring I, 1982

February 22, 1984: Clear Pine Mouldings, Inc. reversed A. Duie Pyle, Inc., 1982

April 6, 1984: Otis Elevator Co. reversed Otis Elevator I, 1981

April 25, 1984: Rossmore House reversed PPG Industries, 1980

May 14, 1984: Gourmet Foods reversed Conair Corporation, 1982

June 22, 1984: Neufield Porsche-Audi reversed Dalmo Victor II, 1982

August 13, 1984: St. Francis Hospital reversed St. Francis Hospital I, 1982

December 12, 1984: Taracorp Industries reversed Kraft Foods, 1980

January 11, 1985: Holyoke Water Power Company reversed Winona Industries, 1981

January 31, 1985: Indianapolis Power and Light Company reversed U.S. Steel Corporation, 1982

February 22, 1985: Sears, Roebuck and Company reversed Materials Research Corp., 1982

April 25, 1985: Prudential Insurance Company of America reversed Prudential Insurance Co., I, 1980

May 1985: Harley-Davidson Transportation Co. reversed Landmark International Trucks, 1981

All these cases were decided by a four-member Board consisting of three Reagan appointees, Robert Hunter, Donald Dotson, and Patricia Diaz Dennis, and one Carter appointee, Don Zimmerman.

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the board ruled that a striker's verbal threats against non-strikers may justify an employer's decision not to rehire him. Previously the board had ruled that verbal threats must be accompanied by physical acts to be considered serious enough to deny reinstatement.

In the case before the board, a striker named Rodney Sittser told a non-striker that by crossing the picket line she was taking her life in her hands. He then threatened to burn down another employee's house, and told a third he should have his hands broken.

Another striker, Robert Anderson, hit a non-striker's truck with a club and threatened to kill him. Previous to *Clear Pine Mouldings*, these threats would not have been considered serious enough to justify punitive action. Now they are.

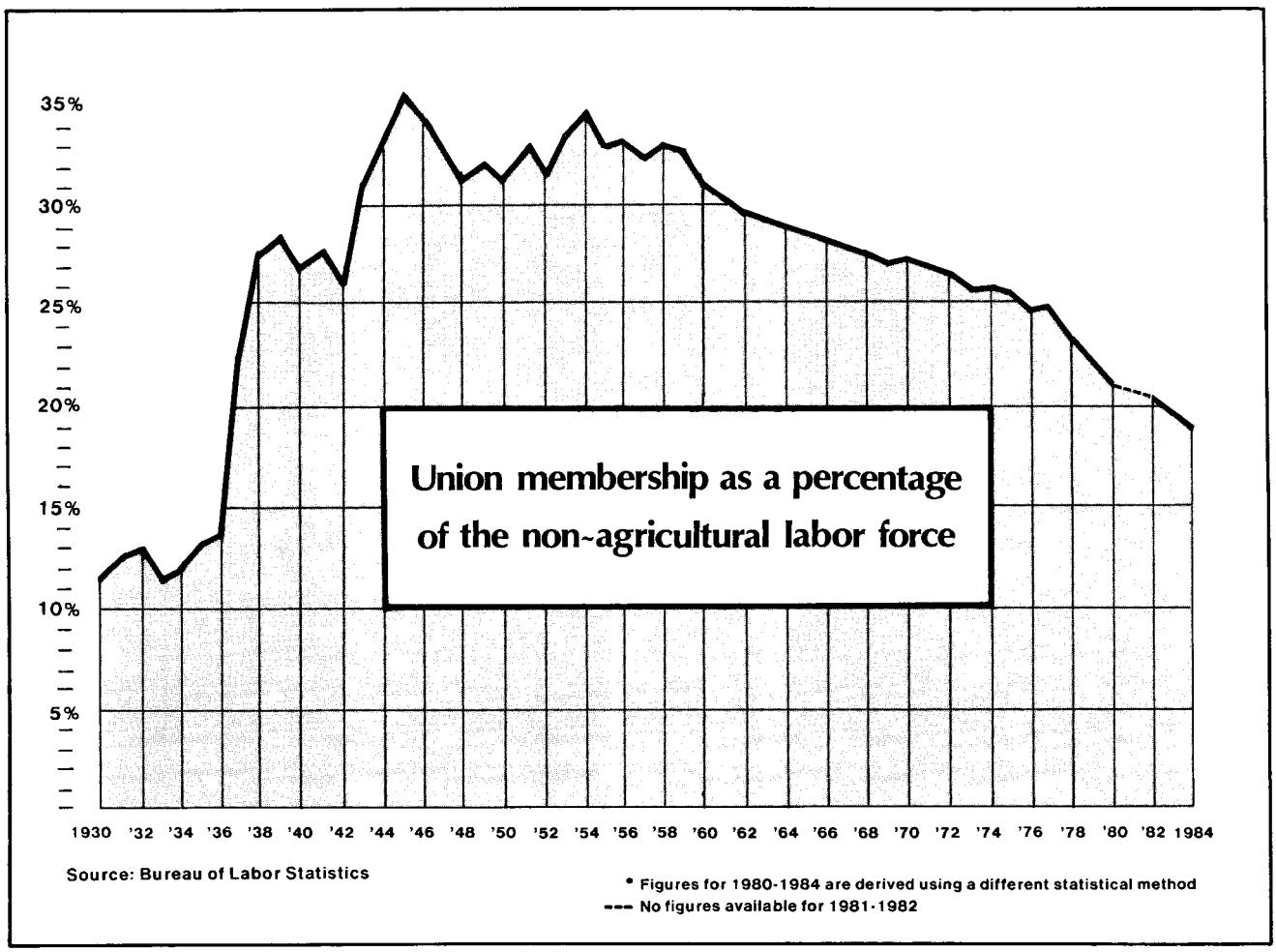
The practical effect of the board's decision is minimal. Though tensions naturally run high on a picket line, labor peace is hardly promoted by allowing strikers to intimidate and frighten non-strikers by using violent language. Ruling that the N.L.R.A. will not protect such conduct seems reasonable.

The Carter board tended to interpret the statutory mandate of the N.L.R.A. "encouraging the practice and procedure of collective bargaining" to mean that the board should positively promote union organizing efforts. To this end, it extended to unions prerogatives that had no legal precedent.

The current board seems to define its mission as protecting individual employees from the coercive authority of either unions or management and lessening the role of government in resolving labor disputes. Encouraging collective bargaining means guaranteeing that unions can fairly organize and be voted on, not creating conditions conducive to union organizing. The two ideals—to encourage collective bargaining and to protect individual rights—often conflict. This is the source of much of the controversy.

Despite the public clamor, the decisions of the Reagan board have been consistently upheld by the courts, recently at rates far above historic levels. "If the courts of appeal are knocking down decisions, that's a good sign that the decisions are out of whack," says Betty Murphy, chairman of the board from 1975-77. In fact, the percentage of board decisions upheld in full has jumped from 64.7 percent from 1977-81 to 84.35 percent from March 1983 to May 1985, the latest period for which figures are available. This is more than 20 points higher than the 63.7 percent average from 1935-83.

Nor does the other limited statistical data support allegations that the board is an enemy of labor. In 1983, the board rewarded a record $49 million in backpay to unfairly dismissed employees. The $39 million awarded in 1984 was the second highest ever. A record 84 percent of representation elections were held by mutual consent of


35%
30%
25%
20%
15%
10%
5%
Union membership as a percentage of the non-agricultural labor force
1930 '32 '34 '36 '38 '40 '42 '44 '46 '48 '50 '52 '54 '56 '58 '60 '62 '64 '66 '68 '70 '72 '74 '76 '78 '80 '82 1984
Source: Bureau of Labor Statistics
* Figures for 1980-1984 are derived using a different statistical method
--- No figures available for 1981-1982

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employers and unions in 1984; the percentage of unfair labor practice charges in which merit was found after investigation has held steady at 33-34 percent; and work stoppages are at their lowest level since statistics have been kept. Such statistics indicate that labor relations are stable and the board is still a worthwhile recourse for workers.

Some of the unions' complaints against the Reagan board are certainly legitimate. The board's backlog has grown to unprecedented levels, causing processing delays of up to two years. The backlog peaked in February 1984 at 1,647 cases; when President Reagan came into office, it was only 474 cases. Though some progress has been made—as of July 1, it stood at 1,244 cases, a 25 percent decrease—this is still unacceptably high, and N.L.R.B. officials seem suitably embarrassed by it. At hearings before the House Manpower and Housing Subcommittee of the Committee on Government Operations, Chairman Dotson blamed the backlog on the turnover of board members, frequent vacancies of seats, and a growing caseload.

These reasons were largely accepted by the Committee, but the excuses do no credit to the administration, which has been lax in filling openings. When Howard Jenkins left in August 1983 and Don Zimmerman in December 1984, their seats were left unfilled until last March. Since President Reagan took office in 1981, the board has been shorthanded well over half the time. Thirteen different individuals have sat on the board since 1979.

But the contention of some board critics that the backlog was intentionally designed to help employers fend off unionization is absurd. Over 95 percent of the cases brought to the board are settled by one of the 33 regional offices, over 90 percent within 40 days. An employer, especially an unfair one, is taking a foolish risk if he encourages an employee to go to the board on the assumption that the grievance will be indefinitely delayed.

There are also a number of cases in which the board seems to have hampered organizing efforts to the detriment of unions. In a series of cases, the board required unions to organize multi-store units, even where the individual units were separately managed. Previously, single stores were presumed to be appropriate organizing units. "The bottom line of these reversals," Max Zimny of the International Ladies' Garment Workers' Union told *Policy Review* "is that larger units are harder to organize, harder to unionize, and gives the employer a great advantage in defeating collective bargaining."

Donald Dotson stressed at his confirmation hearings in December 1982 the importance of the "perception of fairness." It is precisely this perception that has been lost among union leaders. The number of cases coming before the Board at all levels has dropped from 58,897 in 1981 to 43,426 in 1984, the lowest number since 1974, suggesting that unions are avoiding the board. Says Earl Brown of the United Mine Workers, "I don't go to the board when I have a problem. It's worthless. It's incrementally more worthless now." Instead, unions are developing new techniques such as informational picketing, striking for recognition, corporate campaigns, and publicity, a development Murray Seeger, director of information for the AFL-CIO, concedes "may be helpful in the long run."

Chairman Dotson may not be too disturbed by this trend, which fits in with his desire to make labor relations less adversarial and the government less intrusive. "We can promote collective bargaining and make it more effective by being less involved," he told the *New York Times* last year. "We think the best solution is the solution they [labor and management] work out for themselves."

Organized labor dissatisfaction with the board has revived calls for a massive overhaul of labor law. "The law has become a cadaver—it's no longer alive," United Mine Workers' President Richard Trumka told a House panel in 1984. And International Association of Machinists' President William Winpisinger told National Public Radio that

Only 14 percent of workers under 35 are members of unions, and total union membership has declined from 30 million in 1975 to 20 million today.

if the board "just disappeared, and we went back to the law of the jungle, I think we'd do better."

What labor would chiefly like is to scrap the Taft-Hartley Act of 1947. This amendment to the N.L.R.A. prohibited mass picketing and secondary boycotts and required unions to make public financial disclosures and win a majority of votes in representation elections. The N.L.R.A. was further modified in 1959 by the Landrum-Griffin Act, which protected individual union members' rights against union abuse, tightened restrictions on organizational picketing and secondary strikes, and opened a number of industries to unions.

An attempt to amend the N.L.R.A. in 1977-78 failed, and reform of labor law in the near future is unlikely. Therefore, the board must, in effect, administratively legislate labor law. It is a thankless task: the criticism comes from all sides.

Libertarians think that unions would do better adapting to free market forces rather than relying on the N.L.R.A. and the board, which Michael McMenamin called in *Inquiry* in September 1983 an "anachronism, a legacy of the 1930s that ought to be abolished." Reed Larson, President of the National Right to Work Committee, would also like to scrap the board, because "a politically appointed board with the power the N.L.R.B. has makes a political football out of labor relations."

The board has also been subject to persistent and sometimes unfair second-guessing by the press, which has damaged its public image. Yet the board could help its cause by not responding so often to such criticism. Chairman Dotson has made a long speech largely devoted to detailing press errors, and his chief counsel, Charles Williamson, has been nagging the *Los Angeles Times* for months to identify the author of an op-ed article critical of the N.L.R.B. as

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"Marxist-oriented." The only result was a mocking article by the *Washington Post* ombudsman. Even a supportive publication like *Barron's* seems puzzled by what it termed the chairman's "quixotic effort[s] to set the record straight."

A number of sources told *Policy Review* that a large part of the board's public relations problems stems from Chairman Dotson's personal clashes with both the press and board insiders. Some mentioned a "collapse of collegiality" within the board, though others say such reports are overblown and obsolete.

Labor's Losses

Despite this chorus of dissent, the board is well-entrenched, and with good reason: it is hard to imagine how an already overburdened court system could decide some 45,000 labor cases with anything like the N.L.R.B.'s expertise and speed. The accusations and criticisms would simply shift spheres, not substance, as the 11 circuit courts each took their cracks at the same labor issues.

But many union leaders believe legal changes are necessary in order to compensate for their recent lack of organizing success. Every year until 1974, unions won a majority of union representation elections; ever since, they have lost a majority. During the 1950s, unions won 75 percent of representation elections; now they win just 45 percent. Decertification elections have tripled since 1970, and unions are losing more of these too. The assumption that workers would naturally choose to organize into unions has not been borne out: presently only 18.8 percent of all workers are organized, down from a high of 35.5 percent in 1945. (See graph.) More ominously, only 14 percent of workers under 35 are members of unions, and total union membership has declined from 30 million in 1975 to 20 million today.

Don Zimmerman, a Carter appointee who served on the board until 1984 points out, "it's obvious from the time span that it cannot possibly be the case that union decline is primarily the responsibility of N.L.R.B. or the Reagan Administration. Recession, the shift in the economy, geographic changes, change in the perception of the value of unions, effect of intense competitive pressures of non-union sectors both within the United States and abroad, and deregulation are all more important factors." Compared with these long-term trends, N.L.R.B. decisions play a small role in explaining the decline of unionism.

Organized labor should not look to the board to solve its long-term problems. As Malcolm Lovell, Undersecretary of Labor from 1981-82 and Assistant Secretary of Labor from 1969-73 comments, "When you're losing 60 percent of the [election] shots, naturally you'd like public policy to help you out. But before that can happen, there has to be a general expression of popular support and that hasn't happened." For labor unions to arrest their decline in membership, they will have to stop blaming the board and start making a better case to workers. ☎

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Offshore Oil Drilling

Good for the Economy. Great for the Fish.

William Perry Pendley

This fall, Congress will decide whether to renew its moratorium on oil and gas exploration and development on 45 million acres of the outer continental shelf. The Interior Department is currently prohibited from offering leases in the fish-rich Georges Bank off the coast of Massachusetts, and along most of the California coastline.

It is a costly ban. According to Interior Department estimates, the prohibited offshore areas contain 2.24 billion barrels of petroleum, and the restrictions on leasing are denying $3.5 billion in income to the federal government. Total financial loss to the national economy approaches $9 billion. Battelle/Pacific Northwest Laboratories has estimated that the moratorium is costing as many as 80,000 jobs in California alone. The moratorium makes America more dependent on foreign energy, and contributed to our import bill last year of nearly $60 billion.

Supporters of the moratorium fear that offshore oil drilling will endanger fish and bird populations as well as the spectacular beauty of the California coast. They point to the blowout of a Union Oil Company oil well in the Santa Barbara Channel in 1969, when between 840,000 and two million gallons of sepia-colored oil bubbled up from the ocean floor, covering hundreds of square miles of sea. Much of it reached the shore, where it fouled the sands and rocks of California's beaches, and required a massive cleanup. Over a thousand oil-soaked birds perished.

But fears of future oil spills are not justified by the environmental record of offshore oil and gas development since the Santa Barbara disaster. During the past 15 years, the United States has produced over five billion barrels of oil from the outer continental shelf, mostly in the Gulf of Mexico. During this period fewer than 850 barrels have been spilled as the result of blowouts. Total oil lost from all U.S. offshore production operations, pipeline breaks, and fuel transfers since 1970 has averaged less than 5,600 barrels a year.

The oil dumped in our oceans comes primarily from other sources. For example, 12 American rivers, including the Mississippi, discharge an estimated 1.8 million barrels of oil and refined products into the Gulf of Mexico every year. According to the California State Lands Commission, natural seepage from fissures in the earth's surface adds between 18,000 and 278,000 barrels of oil each year to the coastal waters of California. Oil tankers are one of the largest single contributors to ocean oil pollution. In 1978, for example, the *Argo Merchant* went aground off Nantucket Island in Massachusetts, dumping over 178,000 barrels of oil into the Atlantic.

Ocean oil pollution comes from unexpected sources as well. The University of Rhode Island's Graduate School of Oceanography found that Providence car owners who change their own motor oil dump approximately 300 barrels of oil into the city's storm sewers each year, and much of this eventually reaches the ocean.

Indeed, a study by the National Research Council of the National Academy of Sciences in 1985 reported that offshore energy production is a "relatively minor" contributor to oil pollution in the oceans. It found that offshore energy production in the United States contributes only four-tenths of one percent of the oil found in the world's oceans.

Offshore oil and gas production is much more carefully regulated than at the time of the Santa Barbara spill. Every offshore operation must include three blowout preventers—hydraulic mechanisms that collapse about the drill pipe in the event of an accident and prevent the passage of oil. Casings for drill pipes must be cemented into the surrounding earth. And for every offshore lease, oil companies must submit an oil spill contingency plan for approval by the Coast Guard and the Department of the Interior. Frequent safety inspections, scheduled and unscheduled, have further reduced the risk of spills.

Mussel Power

Fishermen in southern California and the Georges Bank have feared that drilling activity, exploration and produc-

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tion platforms, and the potential of spills and other pollution would pose serious risks to the sport and commercial fishing industries. It is now becoming clear that just the opposite is true. Oil and gas platforms become the centers of new ecosystems where fish and other water life thrive.

"I take 10,000 people from all over the country fishing every year and we do all of it tied up to offshore oil and gas platforms," says charter boat captain Charlie Hardison of Golden Meadow, Louisiana. He is not alone. Salt water recreational fishermen contribute an estimated $640 million annually to the Louisiana economy, and based on preliminary data developed by the National Marine Fisheries Service, $190 million of this total is attributable to fishing near offshore oil and gas platforms. Offshore structures account for over 85 percent of the excursions made by sport fishing boats in the waters off Freeport and Galveston, Texas.

Commercial fish catches have risen fivefold in the Gulf of Mexico since the beginning of the offshore oil and gas leasing program in 1953, and some 150 species of fish and invertebrates that were unknown to the Gulf prior to 1950 have been sighted. A similar phenomenon has occurred in the North Sea, where some 2,600 wells have served as artificial reefs and the fish catch has quadrupled.

"Offshore oil and gas platforms often provide species of fish with a source of food or shelter that would otherwise be unavailable," says Benny J. Gallaway, an adjunct professor at Texas A & M University and an expert in the ecology of artificial reefs. "This type of habitat may be a critical factor contributing to population increases for some species."

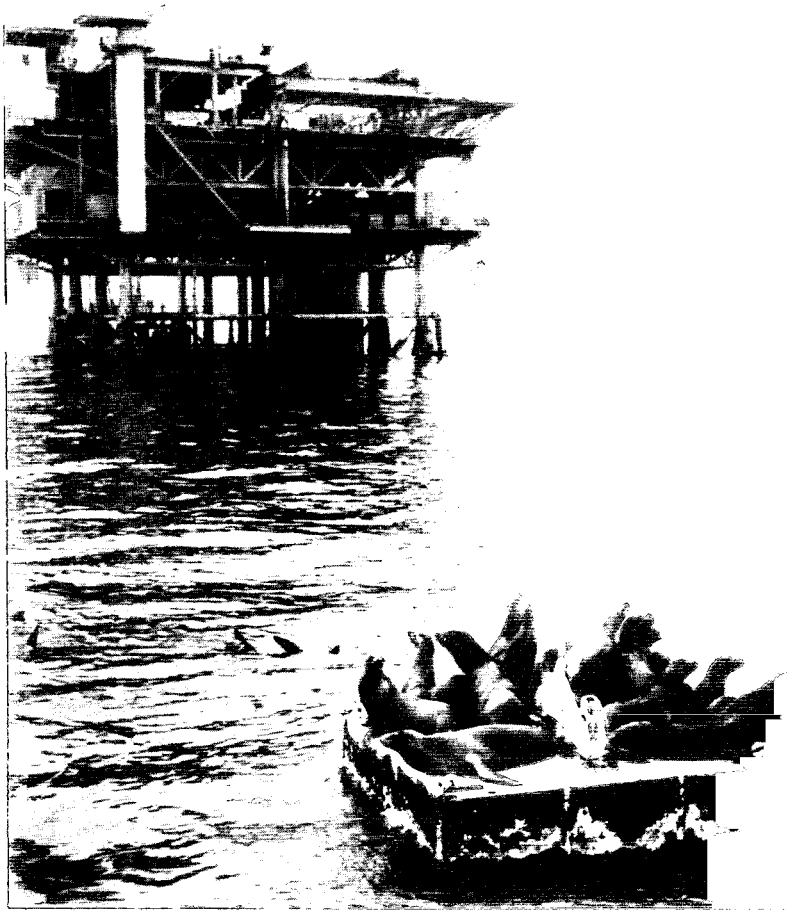
Newly built platforms are quickly colonized by barnacles, bivalves, hard and soft coral, and other organisms that become food sources for additional sea life, such as spadefish, snapper, tangs, drums, sea bass, scad, sardines, and redfish. These fish in turn attract larger predators, such as grouper, barracuda, cobia, tuna, marlin, mackerel, and sharks. This is not merely a clustering of aquatic life from the surrounding area, but an actual increase in the fish population of anywhere from five to 10 times its original size.

Perhaps the most striking evidence of this phenomenon is found in Japan, which has no offshore oil wells. To stimulate its fisheries and help feed its fish-adoring population, the Japanese government is spending more than $300 million a year on artificial reefs that are strikingly similar in design to offshore oil and gas platforms.

Aquatic life is even thriving in the Santa Barbara Channel, site of the infamous blowout 16 years ago. Studies conducted by the University of California at Davis within a year of the spill revealed no long-term damage to bird and fish populations. Today mussels are harvested from the Sun Exploration and Production Company's Hillhouse platform at a rate of 4,000 to 5,000 pounds a week, and sold to over 40 of California's poshest restaurants.

"They're very plump and tasty," says Wendy Little, chef of the San Ysidro Ranch in Santa Barbara. "We prepare them differently nearly every day. They're our most popular appetizer."

Many opponents of offshore platforms also worry about their visual impact. This is especially true in California, where the areas with the greatest potential for energy development are usually close to the coast.



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On a Clear Day

While platforms off prime beaches and scenic coastal highways may be an intrusion to some, there will only be a few of them. As many as 90 different wells over a one-to-two-mile radius can be served today by a single modern producing platform. In addition, platforms three miles from shore (where federal tracts begin) are visually obscured by natural sea haze and fog between five and 30 percent of the time.

Nature makes offshore platforms more difficult to see even on clear days. As a result of the curvature of the earth, a platform that is on or near the horizon is only partially visible from the shore. The further from the shore, the smaller the platform appears.

The alternative to near-shore platforms for an energy-hungry California, which consumes 10 percent of the nation's gasoline, and which suffered more than most states during the 1979 oil disruption, is more oil tankers carrying imports from countries such as Mexico, Venezuela, and Indonesia. Tankers not only present a greater threat of oil pollution than do offshore operations, they are also more unsightly.

The energy America needs lies off its own shores. It is available and accessible, and its exploration and development is entirely consistent with environmental values. ☎

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CALIFORNIA

Rose Bird and the Supremes

JOHN BARNES

Robin Samsoe, a 12-year-old girl who lived in Orange County, California, was last seen alive on the afternoon of June 10, 1979, when she left a friend's house to bicycle to ballet class. She never made it. Two weeks later, her nude, mutilated body was discovered in a mountain ravine. Witnesses say that just a few hours before her disappearance, a strange man had approached her and asked to take pictures of her. He turned and ran when some adults approached.

A composite sketch of the man provided by those who saw him led to the arrest of one Rodney Alcala, who had a record of molesting young girls. Other evidence was found implicating him, and two cellmates reported Alcala confessed to them while in the holding cell.

Alcala was placed on trial for Robin Samsoe's murder, with the prosecutor informing the jury of Alcala's previous history of child molestation. He was convicted and sentenced to death.

But on appeal to the state Supreme Court, Chief Justice Rose Bird led the court in overturning not only the death sentence, but Alcala's conviction as well. Bird said his three earlier crimes were not sufficiently "similar" to the one he was being tried for and that mentioning them would unduly prejudice the jury.

This fall, over six years since the crime, with the witnesses scattered and memories blurring, the Orange County district attorney will attempt to re-try Alcala, this time without the offending material.

It is rulings such as *People v. Alcala* that have so many Californians up in arms about state Supreme Court Chief Justice Rose Bird and her three closest ideological allies on the court, Justices Joseph Grodin, Stanley Mosk, and Cruz Reynoso. All were appointed either by former Democratic Governor Edmund "Jerry" Brown or his father, former Democratic Governor Edmund "Pat" Brown. All come up for confirmation elections in November 1986.

A campaign to unseat the four justices has been in full swing since early 1985. The battle lines are clearly drawn; the issue is who controls California politics.

Chief Justice Bird's decisions have outraged conservative activists, crime victims, tax revolt forces, and many law enforcement agencies, such as the California District Attorneys' Association. Police and sheriffs' deputies have even been spotted handing out anti-Bird literature while on duty. The groups charge the current court majority with coddling criminals, meddling in partisan politics, and in the emotional centerpiece of the campaign, absolutely refusing to allow condemned inmates to be executed.

"Five years ago, when my son was killed by a drunk driver, I thought I knew what the judicial system was all about," says Don Floyd, who founded the anti-Bird Crime Victims for Court Reform after the drunk driver who killed his son got off with a 30-day jail sentence and a year's probation. "What I thought was a system designed to protect the innocent, the weak, the young, the elderly, maintain order in society, and prosecute the criminals, is an out-and-out protection agency for the criminals."

On the other side, Bird's strongest supporters include criminal defense lawyers, civil libertarians, and liberal activists. Her defenders point out that 85 percent of those arrested for felonies in California are convicted, that nine out of 10 appeals reaching the Supreme Court do not result in the criminal being set free, and that the state prison population is at an all-time high. Perhaps, but Rose Bird and her allies have become symbols of practically everything that has gone wrong with liberal judicial activism over the last few decades.

It's easy to see why the campaign is gathering so much momentum so quickly: if Governor George Deukmejian's recent appointee to the court, Justice Malcolm Lucas, is confirmed by the voters next year, and if Chief Justice Bird and the other Brown appointees are defeated—and if Deukmejian himself wins reelection (all either likely or at least possible)—the conservative governor would have a unique opportunity to give a law-and-order cast to a historically liberal court. And if Rose Bird and the other liberal appointees subject to election are defeated, it could send a signal to liberal activist judges across the country to rein themselves in.

Raging Bird

Probably no public figure in California (or any other state, for that matter), has been the object of more in-

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tense—and sustained—rage than Rose Bird. Bird was named the first female chief justice of the highest court in the largest state by Democratic Governor Jerry Brown in 1977. At age 40, she had served for two-and-a-half years as Brown's secretary of agriculture and had no previous judicial experience. She had vaulted into the Brown administration from an obscure post as a county public defender after serving as Brown's chauffeur and aide in his 1974 campaign. After a fierce struggle, she was confirmed and took her seat, but the controversy surrounding her only grew. Opponents came close to unseating her in 1978 and four recall attempts in 1982 and 1983 fell just short of success.

Next time she might not be so lucky. According to a *Los Angeles Times* poll taken in June, only 28 percent of Californians approved of her performance. Thirty-eight percent disapproved and 34 percent were uncertain. Mailings have already been dispatched statewide, charging the Bird court with being "soft on crime and tough on the taxpayer." One observer said, "The Republicans haven't behaved so irresponsibly since they ran an ignorant actor for governor in 1966."

One of the central issues is how accountable judges should be to the public. Unlike the federal system, where judges are appointed by the President and serve for life, California appellate judges are initially appointed to the bench by the governor, and then periodically run unopposed on a straight up-or-down referendum by the voters. No justice has ever lost, though Bird came close in her last election in 1978, winning just 51.7 percent of the vote. Reynoso and another Jerry Brown appointee, Justice Otto Kaus, had close shaves in 1982.

Bird is taking the challenge to her continued tenure seriously and has formed her own political action committee ("Committee to Conserve the Courts"), funded primarily by criminal defense attorneys whose jobs have been made easier by her rulings. She has hired pollster Pat Caddell and the political consulting firm of Zimmerman, Galanty, and Finman, whose previous credits include the "Jane Fonda Workout" videos, and the campaigns of radical Assemblyman Tom Hayden and Chicago Mayor Harold Washington. Her strategy is to raise millions of dollars at big fundraisers nationwide (actor Warren Beatty is a strong supporter and contributor), to finance a media blitz next year. Ethics rules prohibit her from explicitly defending her record, but the line she seems almost certain to take in her defense seems to be that the courts should enjoy absolute, unfettered independence from the political process, lest justice suffer.

"Once special-interest politics begins to undermine the rule of law," she wrote in an op-ed page piece for the *Los Angeles Times* in 1983, "it is not hard to imagine a system in which judges put their moistened fingers to the wind, decide what is perceived to be the prevailing view and rule accordingly. Such a system would as surely end the rule of law as would the destruction of our Constitution itself." But Bird seems to hold a moistened finger to the wind of liberal opinion on such issues as the death penalty, reapportionment of legislative districts, and the federal balanced budget amendment.

In calling for absolute judicial independence, Bird forgets that there is no such thing. Even on the federal level, there are mechanisms such as impeachment to keep judges in line. Almost every state has some kind of political check on its judiciary.

AP/Wide World Photos

Will Bird take a bath in '86?

It is indeed ironic that Bird and other liberals should be complaining about politics polluting the judiciary. For years, eminent liberal legal scholars have argued that judges have not only the right, but the duty, to act as social reformers where the executive and the legislature have either failed or refused to respond. Abortion, busing, and racial quotas are all legacies of liberal jurisprudence.

Death and Taxes

The most politically damaging attacks on Bird focus on her refusal to allow the implementation of the death penalty. No one has been executed in California since the new death penalty statute was adopted by the legislature in 1977. Bird has led the court in overturning 35 of 38 death penalty sentences that have reached the court and has indefinitely stayed the execution of one man whose sentence has been found constitutional. She has upheld the constitutionality of only a single death sentence. State law gives the court 150 days to review death penalty appeals, but the average appeal in California takes more than 1,100 days from the time sentence is passed at trial.

Bird justifies her intransigence on the issue with what *New Republic* contributor Mickey Kaus calls "Liberal Legalism." On the surface, it seems all right: her opinions make absolutely certain the punishment is strictly proportional to the crime committed and is identical to that

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meted out to the perpetrators of similar crimes. The hallmark of Liberal Legalism is Eternal Process: endless hearings, trials, and appeals, ever more exacting rules and burdens of proof. The aim is to wipe out the slightest trace of "arbitrariness" in sentencing. It is no longer adequate, for instance, to execute someone merely because he or she has committed first-degree murder. The jury has to show *why* the murderer condemned to death has done something slightly worse to warrant the death penalty. A separate "penalty" jury must hear the arguments on "aggravating" or "mitigating" circumstances on why life imprisonment is not adequate.

But a certain degree of arbitrariness is simply unavoidable in human affairs. While Bird maintains she is not "philosophically" opposed to the death penalty, her paramount concern about "arbitrariness" amounts to the same thing: no one gets executed.

The court's blatant meddling in partisan politics, always to the advantage of liberal Democrats, is another problem. Just a few days after her 1978 close call, the *Los Angeles Times* reported that Bird had deliberately delayed issuing a highly controversial four-to-three decision overturning a 1975 state law mandating prison sentences for those convicted of using a gun to commit a crime. Plainly, such a decision released before the election would not have helped her chances at the polls.

The result was a messy, year-long state investigation in which five justices and numerous staff members were called to testify. All denied any wrongdoing and "no formal charges" were brought. Suspicions, however, lingered long after the books were officially closed.

"Too often the opinions stink of politics," says University of California at Berkeley law professor Preble Stolz. His book on the 1979 investigation, *Judging Judges: The Investigation of Rose Bird and the California Supreme Court*, was highly critical of the chief justice. "It is sad that a great court which once persuaded us by careful reasoning now thinks that justice depends upon singleminded stereotypes." Examples abound.

- In 1978, Bird voted in favor of declaring the famed tax-cutting Proposition 13 unconstitutional, though the court as a whole upheld the law. Bird has refused to give up, however, steadily chipping away at the proposition in a series of decisions and weakening it in critical areas.
- In 1982, outgoing Democratic Governor Jerry Brown wanted to appoint 18 appellate court judges after the election but before conservative Republican Governor George Deukmejian took over. The court obligingly removed the only legal obstacle facing Brown and the appointments were made.
- In 1983, for the first time since the 1940s, the court ruled a certified voter initiative off the ballot. If passed, the initiative would have thrown out the heavily Democratic legislative and congressional redistricting plans drawn by the late Democratic Representative Philip Burton and replaced them with lines fairer to the Republicans. The court argued that redistricting could take place only once a decade, even though the Democratic-controlled state legislature had already done two mappings.
- Incredibly, the court did a repeat performance in 1984 when they ruled off the ballot an initiative calling for a balanced federal budget.
- On May 13 of this year, in what many saw as a blatant attempt to buy the support of California's large and influential public employee unions, Bird and her allies ruled that such unions have the right to strike, except when it could "substantially injure paramount interests of the larger community." Though the ban on strikes by police and firefighters remains in place, it opens the way for hardcore bargaining tactics by other critically placed state employees.

While welcoming the decisions, some Democrats are nervous about the coming campaign. There have been hints in the newspapers that Bird should allow an execution to take place or she should retire, because her continued presence on the ticket would make her a "lightning rod" that could drag other Democrats down to defeat. Although a supporter of Bird, Speaker Willie Brown has said, "there are some people that obviously ought to go on and meet their maker."

But it is doubtful even Rose Bird would be so cravenly expedient. From the heavy pace of her fundraising, it seems highly unlikely she will quit. Instead, the outlook is for a long, hard campaign that, given the California court's traditional national prominence, could give activist liberal judges on both federal and local benches an indication of where they stand with the public at large. ☎

The Inside Dope

Communities Are Winning The War Against Drugs

TOM ZAMBITO

One of the most intense efforts ever to rid society of all forms of drug abuse is underway—with the federal government a largely silent partner. In a classic example of how reducing the federal role can lead to more productive means of confronting social problems, parents, state agencies, and corporations have taken the initiative in the drive against drug abuse. And their efforts are paying off.

A 1984 University of Michigan survey of high school seniors concluded that the current use of illicit drugs (that is, some use in the past 30 days) is down from a high of 39 percent in 1979 to a low of 29 percent in 1984. Much of the decline is due to an ongoing drop in the use of marijuana, a staple among drug users. Current use has dropped from 37 percent in 1979 to 25 percent in 1984.

Decline in marijuana use is particularly significant because it is a "gateway drug," which leads to the use of more lethal drugs like heroin and PCP. "If we can keep kids

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from using marijuana, we can keep them out of the drug culture," says Thomas Gleaton, director of the National Parents' Resource Institute for Drug Education (PRIDE). Use of drugs other than marijuana is also declining, from 22 percent percent in 1981 to 18 percent in 1983.

Not all the news is so good. According to the survey, current use of cocaine has increased from two percent in 1976 to 5.8 percent in 1984. (PRIDE's figures are even higher.) About 750,000 high school seniors have smoked pot in the last month. And about half a million Americans are heroin addicts.

But the tide does seem to be turning. Parents have led the way, fulfilling President Reagan's belief that "ultimate victory [in the war against drug abuse] will be determined by individual Americans working within their home, workplace, and community."

UPI/Bettmann Newsphotos.

Watch out! your parents may be watching.

In Roxbury, Massachusetts, Georgette Watson started the Drop-A-Dime telephone service for members of her community who wanted to turn in an addict or a dealer. The service now gets almost 350 calls a month. "Parents have more confidence in Drop-A-Dime than they do in the police because we are from the community and don't come along for political gain," Mrs. Watson says. Every two weeks, she sends a tip-data sheet to local police agencies to aid them in arresting the abusers. "A lot of parents are turning in their own kids now."

In San Diego, California, Bob Meehan, a drug and alcohol abuser for 15 years, has founded SLIC (Sober Live-In Center) Ranch and a drug rehabilitation program for teenagers called Freeway. He has helped to start six halfway houses and 30 drug rehabilitation centers. Preliminary studies show a 79 percent success rate.

The National Federation of Parents (N.F.P.), based in Maryland, has grown to over 8,000 parent groups nationwide. PRIDE, based in Atlanta, has over 25,000 affiliated groups. Local organizations include Houston's Informed Parents (HIP), Illinois Drug Education Alliance (IDEA), and Family Action Council of Texas (FACT).

Dr. Robert DuPont, former director of the National Institute on Drug Abuse, has called these parent groups "the single most positive element in the whole drug field today." Says Richard Williams, assistant director of the domestic policy staff at the Office of Management and Budget, "We couldn't buy the programs these parent organizations are providing."

Nor should the federal government have to purchase such support, according to local organizers. "It would never occur to me to go to the federal government for money. This is a community problem and it is the responsibility of the community to pay for it," says Katy True, director of Parents Caring About Kids in Lancaster, Pennsylvania. "There has to be an innovative stance made at the grass roots level," agrees Mr. Meehan. "That's why I'm not against cutting back federal programs."

Alliance for Progress

The Reagan Administration has cut federal funding for drug abuse treatment and prevention services by about 30 percent, from approximately $485 million in 1980 to $335 million in 1984. The states have more than made up the difference: state funding for treatment and prevention services has grown from $119.2 million in 1980 to $333.5 million.

Another element in the "new federalism's" attack on drug abuse is support from such corporations as Keebler, IBM, and the National Soft Drink Association. "We went to them with the pitch that the future of America was at stake," says Mr. Williams. These three corporations provided the capital for a series of comic books distributed to more than seven million of the nation's fourth, fifth, and sixth graders.

Also, it helps that drug prevention and treatment programs have a strong ally in the White House, as Nancy Reagan has made the issue her personal cause.

The work of these parent groups, state agencies, and corporations has been helped by an evolution in attitudes towards drug abuse. Permissive attitudes to drug use are out, as parents favor an unequivocal statement that drugs are bad. "Children need to be told not to use drugs. They do not need parents who put drug and alcohol use on the honor system," Dr. DuPont wrote in a recent N.F.P. newsletter. Mike Winchester, an attorney and Youth Projects Director of the N.F.P. agrees. "Many times those who teach in our schools deal from a more psychological approach—a non-judgmental way—when they should be telling the children that what they are doing is wrong."

The N.F.P. program combines educating parents and children about drug abuse with chaperoning and preparing drug-free parties. The idea has caught on. In Texas this year, almost every school district held a drug- and alcohol-free prom celebration. In Florida, parents chaperone all-night cruises for high school students.

Some skeptics question the advances made by the parent groups. These programs depend on a sound family structure, a quality many inner-city areas lack, so that "the Reagan approach focuses on the middle class and not the

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poor," according to Norwig Debye-Saxinger, Deputy Director of the New York State Division of Substance Abuse.

The findings of the University of Michigan survey are also under attack because it did not include dropouts—15-20 percent of the age group—or do follow-up studies for absent students. These factors would tend to make the figures for drug use higher than reported. As the survey admits, "Students with fairly high rates of absenteeism also report above average rates of drug use." Thomas Bryant is not convinced by the data. "The problem might be waning a little, but is not decreasing at the pitch that the survey suggests." Says Mr. Meehan, "I don't see the problem on the decline at all. Awareness is up but the problem isn't going down."

Local Heroes

No one is declaring victory over drug abuse, but many experts believe that the Reagan Administration's low-key approach to the problem has been more successful than the Carter Administration's hands-on methods. "During the '70s, we had people who were specialists at getting grants. We were permanently funding these organizations," says Mr. Williams. Nor did the Carter Administration develop or foster effective prevention programs.

The Reagan Administration has provided nominal financial, though substantial moral support, but it has been parents, children, states, and corporations who have taken the initiative in what may be the most effective display of Republican policy known to this administration. "Ultimate victory" is not just around the corner, but through a staunch commitment to prevention and local initiative, we may be closer to that goal. ☎

MASSACHUSETTS

Hiyo Silber!

T. HARVEY HOLT

If a publicly elected school board cannot run a public school system, who can? A major private university. At least that is what Boston University President John Silber has proposed for the Boston public schools.

When Silber speaks of school reform, it is with a zeal one usually associates with evangelical or "power of positive thinking" rhetoric. What he proposes is to "bring back the dignity of a great profession," teaching, by changing the way the public schools are run.

Silber has suggested a five-year management contract between Boston University and the Boston school system. His plan would give B.U. control over curriculum, budget, and personnel, including the appointment of the superintendent. Silber says private management will improve the efficiency of Boston's schools and free the superintendent from "day to day political pressures."

Silber is well known for his outspoken views on education and other policy issues and his controversial methods. When he came to B.U. over a decade ago, he implemented sweeping administrative changes and got into a trench war with the teachers' union in the process. Silber took the union to court, claiming that since professors engaged in such management decisions as admissions and curriculum development, they were not entitled to collective bargaining protection. The court ruled in his favor. Silber was among the finalists for the post of Secretary of Education in the Reagan Administration, and he served on the bipartisan Kissinger Commission on Central America.

His unique administrative style may be just the right medicine for the Boston schools. Power struggles and court decisions have left the schools in bad shape. Political pressures are particularly great on the superintendent, who is almost routinely overridden on curriculum and personnel matters by the Boston School Committee, which is supposed to act as a broad policy-making council. As a result, superintendents come and go; there have been six since 1972.

Court-ordered busing has also played a part in the decline of Boston's schools, causing dramatic changes in the number and demographic profile of the students. Total enrollment has declined 42 percent since 1972, and whites have fled in staggering numbers—white enrollment has plummetted to 15,000 from 65,000 before busing, as families able to do so have sent their children to private schools.

Those who remain are receiving an education of dubious merit. Boston's public high school seniors score a meager 683 out of a possible 1600 on the Scholastic Aptitude Test—about 200 points below the national average. According to Silber, B.U. admits Boston public school graduates under its "Boston Scholars" program who do not otherwise meet minimum B.U. standards. These low scores are remarkable considering that Boston has the second highest spending per student and the second lowest student-teacher ratio among the 120 largest school districts in the nation.

Mixed Reviews

Among Silber's backers is former Democratic Senator Paul Tsongas, a rather unusual bedfellow for a privatization idea. "If the objective is excellence, we're not getting it," said Tsongas. "B.U. can give it to us and I'm willing to accommodate their needs." He has predicted that no northeastern school district will be without such a management arrangement within a decade. Silber says that inquiries from school districts have outpaced his ability to respond to all requests.

But response to Silber's proposal from the school bureaucracy has been notably hostile. John Nucci, the Boston School Committee president, calls the idea "preposterous." He says that his committee "has worked extremely hard to get the federal court to turn over control of the schools to us. I'm not about to turn it over to another overseer."

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Boston's Mayor Ray Flynn is not too thrilled with Silber's proposal either. In a special statement, he said, "I am concerned . . . whether a proposal such as this merely swaps one faceless bureaucracy for another, with decisions being made about children without parental input." Mayor Flynn refused to take direct questions or comment beyond his prepared statement.

Interim Superintendent Joseph McDonough says, "Our record indicates that given the proper leadership we can accomplish things running the system ourselves." He says the public interference of which Silber is critical is essential to a public school system. "The very essence of public education should be the relationship to the public through the School Committee," McDonough said. "He [Silber] would put that to one side . . . it's a question of democracy."

Silber refutes those charges with customary energy and salesmanship. "That's the first time I've been accused of being faceless," he said. "We have an excellent school of education at B.U. . . . we have people who have done it, and are doing it now," he continued, referring to faculty experience in grade-school education. "What the hell qualifies the School Committee to run the elementary schools?" Silber says the university would be answerable to the people under a performance agreement and that if B.U. delivered an unsatisfactory educational system, the agreement could simply be cancelled.

While school officials blame busing for the sad state of the Boston school system, Silber attributes the problem to the schools themselves. "The reason [white families] have flown is not because the system has been integrated but that the system is so inadequate they will not impose that on their children," he said. "We can achieve better racial balance if we can improve the quality, so that children of professional families and well-to-do families can make use of the schools again."

According to Silber, one major problem is the schools' remedial emphasis, accommodating a small number of less able students at the expense of others. "You don't destroy the school system for 90 percent of the students to help 10 percent of the students," Silber said. "Everyone has a right to a good education."

In a letter to the Boston School Committee, Silber wrote, "The only hope for substantial progress within an acceptable period of time lies in assigning the administration of the schools to an institution capable of making the necessary changes . . . free from day-to-day political pressures."

Quality Control

Given the School Committee's long history of political fights, Silber's radical proposal to take over total management control of the system may be just the right medicine. The cornerstone of his plan is to change early grade-school programs by expanding pre-grade offerings. The pre-grade program would be augmented to include a second year of kindergarten and a year-round pre-school for three-year-olds. This would enable early instruction for non-English speaking children who would otherwise fall behind in standard subjects only because they lack language skills. "If a person is going to rise in society, he has to achieve a certain competency in the English language," said Silber. "It would no longer be a remedial first grade, it would be a real first grade."

Silber promises to deliver quality, and he says he can do so efficiently. He would utilize the current teaching staff, assigning teaching duties according to the results of comprehensive evaluations. This staff shuffling would enable him to accomplish his educational goals and still stay well within the current budget. "Good Christ! . . . it's a lavish budget!," he says, noting that the current provision is about $5,400 per student per year.

Boston's public high school students score 200 points below the national average on the Scholastic Aptitude Test.

Although Silber promises not to bust the teacher's union as he did at B.U., if teachers wish to remain unionized, he says they will have to accept the role of employees and accept curriculum and other management decisions. Predictably, teachers' union president Ed Dougherty is highly critical of Silber's proposal. "The idea has very little merit," said Dougherty. "I don't believe in contracting out the public schools to private parties."

Silber contends that through reassignments, his plan would actually save teacher's jobs. Less than two percent of current teaching faculty would actually be terminated for outright incompetence at any level.

Yet Silber admits he would fire idle administrators and get rid of bureaucratic excess right away. "No taxpayer is obligated to pay the salary of public employees who are not needed." As new superintendents have been hired, Silber claims, each has brought additional staff while retaining the existing bureaucracy.

In nearby Lowell, Massachusetts, reception to Silber's idea has also been mixed. Mayor Brian Martin and City Manager Joseph Tully have asked Silber to draw up a similar plan for the Lowell Public Schools. With the backing of former Senator Tsongas, they hope to place the issue on the Lowell November ballot.

"We don't seem to be going anywhere educationally," said Tully. "Anything is worth exploring." But Lowell school superintendent Henry Mroz is adamantly opposed to the idea, calling Tsongas "an officious meddler." Mroz was unavailable for comment on his views of Silber.

As for the chances of his plan getting through, Silber admits that he is not optimistic, "but it has changed the nature of the debate." Silber vows to continue his fight for better grade-school education, using the presidency of Boston University as his bully pulpit.

To his critics, Silber is just another self-promoter and rabble rouser. But many who deeply care about education in Boston are saying of the new plan: Hiyo Silber!

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BOOK REVIEWS

The Rights Stuff

The Politics of the American Civil Liberties Union, *by William A. Donohue (New Brunswick, New Jersey: Transaction Books, $29.95).*

Reviewed by Richard Morgan

When I was a young man, conscious of fashion, I was a member of the American Civil Liberties Union. But I was also a young political scientist and understood, as William A. Donohue puts it in this important book, that it is the task of liberalism "to balance the rights of the individual and the rights of the community." Noticing a growing carelessness on the part of the A.C.L.U. with respect to this principle, I queried my seniors and betters. "Not to worry," they responded. "It is useful in a society such as ours to have a group that takes the 'pure' civil liberties position." After all, they explained, "the forces ranged against the A.C.L.U. are always powerful," and if the Union's positions "sometimes appear extreme, the normal give and take of the political process will insure moderate outcomes." What might look like fanaticism—such as forbidding public school pupils to sing "Silent Night"—was really shrewd political positioning.

In the 1960s, as the A.C.L.U. neglected civil liberties to pursue its peculiar brand of left-wing politics, both my membership and my patience ran out. But I had only my own naivete to blame. For the A.C.L.U. was, in fact, conceived as an instrument of radical politics and has pursued that course through most of its history. Only for a decade or so, from the late 1940s through the 1950s, was there any effort to attract members of varying political persuasions and to concentrate on civil liberties issues strictly defined.

Now comes Mr. Donohue, a sociologist at La Roche College in Pittsburgh, to put this in perspective for us. The founding father, Roger Baldwin, conceived the A.C.L.U. simply as one of a number of groups he was organizing to work for the interest of labor, undermine the capitalist system, oppose "militarism," and establish solidarity with emerging revolutionary forces around the world, especially in the Soviet Union. In these early years, the A.C.L.U. was committed to "free speech," in about the same way the Wobblies were—it was a good stick with which to beat "the system" and "the bosses" and the phrase had a nice all-American ring to it.

The A.C.L.U. consciously chose to entangle itself in divisive political struggles rather than devote itself to constitutional and other legal issues. In 1920, for example, Elizabeth Gurley Flynn attacked her fellow board member, John Codman, for having served as a volunteer guard during the Boston police strike—thus indicating a lack of sympathy to labor and an unbecoming attachment to "the system." Baldwin took the charge seriously and wrote to Codman asking whether it was true. Codman responded that it was, and he would do it again, "no matter where my sympathies lie because helping to maintain law and order in an emergency was an obligation of citizenship." Codman went on to outline what he regarded as the proper role of the organization. "Finally I would say that my interest in the Civil Liberties Union is fairly in the interest of maintaining civil rights guaranteed by the Constitution. I am no more interested in these rights for the laboring man than I am for anybody else and I do not like the idea of the American Civil Liberties Union becoming a partisan of labor . . . "

It was a path not taken. As Mr. Donohue amply documents, the Union had no difficulty aligning itself in the 1920s and 1930s with the forces of the emerging statist left. "There was no dilemma," Mr. Donohue writes. "Big government assured personal liberties." For the leaders of the A.C.L.U., a liberalism unprepared to move toward socialism was irrelevant.

Baldwin did, ultimately, repent of his support of the Soviet Union. His old friend, the anarchist Emma Goldman, had been badgering him for years to face up to the reality of Stalinism, and he was further shaken by the Nazi-Soviet pact in 1939: "[it] made you feel that suddenly the Communists were different people." He wrote the 1940 board of directors' resolution which declared it "inappropriate" for members of the Communist Party to serve on the board or the staff of the A.C.L.U. This resulted in the famous "Trial of Elizabeth Gurley Flynn," who had joined the C.P.U.S.A. in 1937, and her expulsion from the board. Several others were also forced out.

After Roger Baldwin's retirement as executive director in 1950, his successors Patrick Murphy Malin and especially John Pemberton

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moderated the Union's political stance. The premier critic of the Union's anti-Communist stance, Corliss Lamont, was eased off the board of directors in 1953, and the Union adopted a clear anti-Communist policy. For a season, the Union moved toward John Codman's path and away from Roger Baldwin's. Mr. Donohue sees this as simple expediency—the Union moderating its radicalism in a period of widespread conservatism and toadying to the authorities by opening secret channels of communication with the F.B.I. concerning Communist Union members. I am not so sure. Elements of the post-Baldwin leadership appear to have been genuinely anti-Communist (while never reticent in attacking the excesses of McCarthyism), and interested in moving the organization closer to the center of American politics. Furthermore, it was a period in which lawyers and lawyerly concerns dominated the board; economic issues and foreign policy were generally perceived as someone else's business.

But whatever the explanation, the relative political moderation of the 1950s was temporary. By the early 1960s, the incontinent enthusiasm mounting in the intellectual community for "basic social reform," and with heady ideas such as Charles Reich's "new property" in the air, the radical tropism of the Union reasserted itself. This was reinforced by the "new egalitarianism" of the early 1970s. Mr. Donohue is best in describing how, against the background of ideas of writers such as John Rawls, Herbert Gans, and Christopher Jencks, the Union embraced affirmative action quotas and began crusading for new rights and entitlements for groups such as children, homosexuals, hospital patients, and the mentally ill.

In some cases, as with children's rights, what was involved was an extension of well-understood constitutional rights into an area where they had been previously thought inappropriate. In other instances, the animating concern was with social change. By the late 1970s, the A.C.L.U. was calling reductions in federal social welfare programs a denial of civil liberties; and abandoning its earlier opposition to the Equal Rights Amendment, it embraced the agenda of radical feminism—including, finally, abortion on demand. By the early 1980s, the Union was back to its roots—opposing much of American foreign policy and any use of American force. Typical was executive director Ira Glasser's letter to President Reagan asserting that the landing of American troops in Grenada was an international civil liberties violation.

The skill of those who represent the Union in Washington, and the prestige of the organization within the intellectual community, have guaranteed it a place in our national affairs far greater than it would be entitled to based on the number of Americans who subscribe to its positions. (Membership now hovers around 250,000.) A more detailed mapping of this many-tentacled network of influence would have been welcome.

The American Civil Liberties Union was conceived as an instrument of radical politics and has pursued that course through most of its history.

The book does have flaws. Because of his concentration on A.C.L.U. policy, Mr. Donohue does not tell us all that he might about the patterns of A.C.L.U. influence in America. While he notes some of the specialized organizations "spun off" from the A.C.L.U. (such as the Americas' Watch Committee, formed to oppose American policy in Central America), he does not pick up on a number of important ones, such as Morton Halperin's Center for National Security Studies, and the Mental Health Project, which had so much to do with advancing the disastrous policy of deinstitutionalization of the mentally ill.

More seriously, Mr. Donohue does not do justice to the Union's semi-official status in the national policy-making process with respect to certain kinds of issues. For instance, close study of the effort to reform the Freedom of Information Act to provide greater protection for intelligence files, or of the effort to frame a legislative charter for the F.B.I., would reveal a fascinating policy triangle in which final legislative language was hammered out in negotiation between the executive agency involved, the relevant congressional staff persons, and the Washington office of the A.C.L.U.

Nevertheless, Mr. Donohue has put us in his debt. His book is a treasure chest of significant details precisely delineating the position of the A.C.L.U. on the American political spectrum. My favorite is an intrinsically homely one—that in the first three years of the 1970s, the A.C.L.U. enjoyed the most rapid increase in membership in its history. Savor the irony. These were the years of the withdrawal of American power from Southeast Asia, *Roe v. Wade*, the McGovern presidential campaign, forced busing, Watergate, the rise of the Imperial Media, the loss of control over transfer payments at the federal level by thoughtless indexing of benefits, Title IX, the pornography and commercial sex explosion, and the beginnings of the assault by the militant left on the intelligence community. It was a period in our national life from which we are still, almost 15 years later, struggling to recover. It was a period which might be fairly described as "The Years Baal"—when a significant portion of the American elite turned savagely against their own country. But these were the salad days of the American Civil Liberties Union, and Mr. Donohue comes as close to explaining how this fits together as anyone yet.

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Dollars and Sense

From Adam Smith to the Wealth of America, *by Alvin Rabushka (New Brunswick, New Jersey: Transaction Books, $29.95).*

Reviewed by Bruce Bartlett

For several years, Alvin Rabushka, a senior fellow at the Hoover Institution, has been quietly writing important books on supply-side economics. He has analyzed the supply-side policies of Hong Kong (where the top tax rate is only 15 percent), the supply-side effects of a flat-rate tax, and the economic impact of Proposition 13 in California. Now he has documented the role of supply-side economics in the rise of the British Empire in *From Adam Smith to the Wealth of America.*

Mr. Rabushka's story begins in 1815 when Great Britain was the antithesis of a free economy. There was heavy government regulation of industry, high tariffs, high taxes, and a government debt so large that the interest consumed over half of all government spending. Virtually everything one could possibly consume or use was heavily taxed. He quotes the following contemporary account:

> We can inform Brother Jonathan what are the inevitable consequences of being too fond of glory. Taxes upon every article which enters the mouth or covers the back or is placed under the foot. Taxes upon everything which it is pleasant to see, hear, feel, smell, or taste. Taxes upon warmth, light, and locomotion. Taxes on everything on earth or under the earth, on everything that comes from abroad or is grown at home. Taxes on the raw material, taxes on every fresh value that is added to it by the industry of man. Taxes on the sauce which pampers man's appetite, and the drug which restores him to health; on the ermine which decorates the judge, and the rope which hangs the criminal; on the poor man's salt and the rich man's spice; on the brass nails of the coffin, and the ribbons of the bride; at bed or board, couchant or levant, we must pay.

The growing circulation and acceptance of Adam Smith's ideas in the 19th century led to a turnaround of this dismal situation. Under the leadership of two British prime ministers—William Pitt and William Gladstone—the burden of excessive taxation, spending, and regulation was eventually lifted.

Perhaps most remarkable was the sharp reduction in government spending. In 1815, British government spending exceeded £113 million. It then fell steadily in both absolute and relative terms.

Spending did not reach its 1815 level again until 1898, despite a fivefold increase in the British economy. Spending, including debt service, fell from about 27 percent of national income in 1811 to just 7.3 percent in 1891.

Economy in government allowed the British to cut taxes, which stimulated economic activity and increased government revenues, allowing taxes to be cut still further. Similarly, tariff reductions stimulated trade which, in turn, increased tariff revenues and allowed for further tariff reductions.

The reduction in taxes, tariffs, and government regulation was accompanied by social reforms. The right to vote was extended and many of the privileges of the upper classes were abolished, creating social mobility and greater equality of opportunity. Mr. Rabushka also documents the importance of the gold standard, which maintained the integrity of the British pound and fostered virtually absolute price stability throughout the 19th century.

Although the great Liberal (in the 19th-century sense) reforms of the Gladstone era eventually were destroyed by socialist policies after World War I, Mr. Rabushka notes that they lived on in British colonies. Today, former British colonies generally have far superior tax, budget, and economic systems than the former colonies of other great powers. Hong Kong, which is still a British colony, is the preeminent example.

The era of laissez-faire benefited the vast majority of workers and improved the quality of life and the standard of living in Great Britain. The contrast between the success of laissez-faire in pre-World War I Britain and the stagnation of the British economy since, is almost as stark as the contrast between East and West Germany since World War II.

Mr. Rabushka also includes a brief discussion of economic policies in Hong Kong, Singapore, Taiwan, and South Korea—the nations which follow most closely the 19th-century British model. They are among the fastest-growing nations in the world. As Mr. Rabushka says, "the four offer convincing proof that sound economic and fiscal policies are building blocks of economic growth. They show the relevance of Adam Smith in the modern world."

Mr. Rabushka ends with a brief discussion of the United States, the rise of tax rates and government spending, the collapse of the dollar, the stagnation of the economy in the 1970s, the election of Ronald Reagan, and the subsequent reversal of stagflation. More needs to be done, of course, and Mr. Rabushka strongly advocates a flat-tax, a constitutional limit on government spending, and a restoration of the gold standard. Ronald Reagan, he says, has only taken the first few steps. It will take a sustained effort to undo the harm that has been done since the New Deal. But the example of 19th-century Britain gives cause for optimism.

From Adam Smith to the Wealth of America is fascinating reading: one can easily see the parallels between 19th-century Britain and 20th-century America. The same arguments were raised against Gladstone that we hear against President Reagan today. But ultimately the intellectual arguments of Adam Smith prevailed and they established Great Britain as the leading economic power of its time. Let us hope that a dose of Rabushkanomics can do the same for us. ☎

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Chemical Warfare

Toxic Terror, *by Elizabeth Whelan (New York: Jameson Books, $18.95).*

Reviewed by Fred Smith

The last few decades have seen some surprising shifts. Not so long ago, the group concerned with poisons in our water supply was not the Sierra Club but the John Birch Society. The "poison" was fluoridation, the culprits the Communists. But the thesis was the same: forces outside our control were doing us in. Our contemporary witch-hunters have liberalized the scope of their fears to all manmade chemicals, focusing their fears on the petrochemical industry, and have found in Congressman Henry A. Waxman of California an excellent stand-in for the late Senator Joe McCarthy. But these changes are cosmetic, the arguments and the policy conclusions are the same.

In her new book, *Toxic Terror,* Elizabeth Whelan describes today's witch-hunters.

> America, they argue, now faces its greatest danger. Niceties of law, of due process, of concern over guilt and innocence must give way to eliminating the critical internal threat to our security. America must be cleansed of its impurities, and anyone questioning the wisdom of such actions is an enemy of the righteous and must be destroyed.

How did we come to this state? How has a nation which has attained the highest levels of health in its history come to fear almost everything? To view chance as universally threatening? These questions are addressed, but only partly answered in *Toxic Terror,* the latest in a series of works by Elizabeth Whelan, a public health scientist and head of the American Council on Science and Health.

Toxic Terror focuses on what science has to say about the risks associated with the various hazards—the toxic terrors—that have received so much attention over the last decade and that have been used to justify an ever-expanding environmental role for the federal government. Whelan's criticisms of the antics of those promoting public hysteria in this area are harsh. As she admits, "a book evaluating the environmental movement should be researched and written by a thoroughly unbiased source . . . this one was not." Her central message is direct:

> It seems clear to me that a small but active group of individuals, including a few scientists, politicians, and those claiming to represent a consumer constituency, have managed to convince [the] American public that there is nothing but bad news about health and the environment in this country and that American industry is the culprit.

Toxic Terror argues persuasively the case for rejecting these beliefs.

How has a nation which has attained the highest level of health in its history come to fear almost everything? To view chance as universally threatening?

False Alarms

The first chapter outlines the premises of the toxic terrorists: that the United States is in the midst of a cancer epidemic, that this is caused by industrial chemicals, that any chemical that induces cancers in animals will do so in humans, that high-dosage risk "proves" low-dosage danger, and that all these dangers may be laid at the door of the American business community. She also notes how effective the environmentalists have been in dismissing any counter-arguments as corporate propaganda. Whelan critiques the investigative techniques of the proponents of these views, particularly their reliance on anecdotal evidence, obsessive emphasis on chemical risks over benefits, and preference for bans over any other possible form of control.

The bulk of the book consists of chapters dedicated to examining a single toxic terror: DDT, Love Canal, pesticides, PCB, PBB, formaldehyde, and dioxin, among others. Each chapter begins with a quick review of "The Charges" (the attacks launched against that particular toxic concern) followed by "The Facts" (a discussion of the evidence). This format is a useful way of introducing the subject and proves that the charges of the toxic terrorists are extreme and poorly founded.

Whelan is at her best in assessing the evidence on chemical risk. Consider the incident of ethylene dibromide (EDB). Some studies found traces of this pesticide on foods available for human consumption and after considerable media attention, the Environmental Protection Agency moved to ban the substance. Although the studies had found the substance to be cancer-causing at high dosages, the risk was minimal, says Whelan. "A person would have to eat at least 250 times as much food as he or she normally does every day, or some 400 tons daily over a lifetime to equal the cancer-producing dose given to lab animals." She also notes the failure of the E.P.A. to consider the risks of the ban, since the substitutes for EDB had not yet been tested for carcinogenicity.

Whelan tells similar stories for a range of toxic incidents. In the chap-

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ter on Love Canal, for example, she demonstrates that Hooker Chemical had stored its wastes responsibly before being pressured to deed the land to the school board, which allowed the integrity of the site to be violated. The result was chemical seepage into the adjoining residential area. The E.P.A. then used the incident to kindle support in Congress for the languishing Superfund legislation. The E.P.A. commissioned a series of "quickie" health studies, ballyhooed their results in hastily called press conferences, and moved swiftly to create an "emergency." When the smoke cleared, the E.P.A. had gained appreciable new powers, and a working-class neighborhood had been destroyed. Extensive studies later found no evidence of any health problems among the former Love Canal residents.

Irrational Fear

Toxic Terror 's final chapter seeks to explain the motivation of the environmentalists (for whom Whelan clearly lacks sympathy) and the failure of the scientific community to counter their claims. She struggles to account for the environmentalists' obsession with "non-risks" but provides no satisfactory explanation. Her least credible suggestion is that environmentalists have been seduced by funding from the tobacco industry.

Others have noted that the fears that once motivated the John Birchers and now terrorize the environmentalists have echoes throughout history. Risks become a matter for social concern only when it becomes possible to blame them on some pariah group. As Mary Douglas and Aaron Wildavsky write in *Risk and Culture:* "Plenty of real dangers are always present. No doubt the water in 14th-century Europe was a persistent health hazard, but . . . it became a public preoccupation only when it seemed plausible to accuse Jews of poisoning the wells." By substituting "Big Business" (or "the Chemical Industry" or "Big Oil") in the above, we capture the essence of modern environmental policy. Whelan recognizes this scapegoat phenomena, but merely remarks in passing that many risks (smoking, for example) require personal actions and rely on the individual taking responsibility. Blaming external groups simply allows one to escape personal responsibility.

Toxic Terror is a fine book, but it is too technical for the average reader and will not encourage a counterrevolution to the Washington-based environmental movement. Perhaps it does not need to. As the E.P.A. and other agencies are forced to escalate their actions to maintain public concern, they run the risk of overkill; we may soon see support for the toxic terrorists come to a crashing halt. Americans, after all, are a sensible people.

Toxic Terror is a useful addition to the library of all those trying to sort out the irrationalities of modern public policy. Unfortunately, it is unlikely to change any minds. To those who believe the environmentalists are crazed socialists seeking to undermine the American Way, her book will be self-evident. To those who believe American industry is systematically attempting to poison its customers, the book will be dismissed as simply another apologia for capitalism. ☎

New York, New York

The Rise and Fall of New York City, *by Roger Starr (New York: Basic Books, $17.95).*

Reviewed by John O'Sullivan

New York is the capital of the world without being also the capital of the United States. To the European visitor in particular, the Manhattan skyline is an introduction to American capitalist civilization at its most advanced, heartless, and glittering. It contains the Wall Street headquarters of the banks which decide the fate of small nations (and vice versa); the center of the worldwide communications industry in the offices of NBC, CBS, and ABC; the largest publishing industry in the world; art galleries which still determine cultural trends; the Broadway theatre; Madison Avenue advertising houses whose jingles will later burst forth from every Third World transistor; and Fifth Avenue shops which today set next year's fashion for Main Street. If there are less attractive features to the city's life, such as poverty and mugging, that is put down to the Darwinian values of competition and the survival of the fittest in capitalist society.

Europeans are always astonished to discover that most Americans do not share their secular reverence for this remarkable, if flawed, achievement of urban life. Far from regarding New York as the highest expression of Americanism, many Americans see it as immoral, contemptuous of the healthy values of Middle America, and above all, *socialistic.* The conspicuous consumption of Manhattan is, they feel, built upon vast welfare, transit, and urban development subsidies from the federal government. Much of the country gloated over the fiscal crisis of the mid-70s, when New York almost went bankrupt. These two visions of New York—as capitalist metropolis and socialist commune—seem diametrically opposed. Can they be reconciled?

Roger Starr's beautifully-written book goes a long way towards doing so. It is, in effect, an analytical narrative telling how the confident, capitalist, functioning New York envisioned by foreigners, declined to the level of the dependent, semi-bankrupt city of the mid-70s.

Starr begins his story on February 12, 1946, "Lincoln's birthday, a state holiday, and the first shopping holiday since the end of the Second World War." New York then stood at the peak of its post-war power and glory. It had a prosperous manufacturing base, plentiful housing at modest rents, a cheap and efficient mass transit system, a brusque but honest system of justice, and a skilled labor force founded on immigrants, mainly from Europe. And

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it had an additional advantage which, though intangible, was perhaps the most vital ingredient in the city's success: a genuine civic spirit. When Mayor William O'Brien ordered all restaurants, theaters, and shops to close down on Lincoln's birthday in order to defeat a tugboat workers' strike that threatened the city's fuel supplies, his dramatic gesture was obeyed with good humor and even festive gaiety by New Yorkers. The strike collapsed.

Decline and Fall

All of these advantages were gradually destroyed over the next three decades. New York is perhaps the most prominent victim of the law of unintended consequences. As its older and more vulnerable industries declined, like the garment industry in midtown Manhattan, other industries were deterred from locating in the city by zoning regulations, high city and state taxes, and the combined opposition of tenants anxious to keep neighborhoods residential, and of environmentalists hostile to industry. The finances of the subway system were gradually strangled by the reluctance of politicians to raise fares to market levels, and by their fear of closing down stations that lost money servicing ethnic neighborhoods. Starved of funds, the subways gradually deteriorated physically, which, in turn, drove away the passengers that the cheap fares had been designed to keep.

Rent control, too, worked its usual perverse magic. With 70 percent of the population in rented accommodations, the political pressure to hold rents far below what the market would produce has proved insurmountable. The effects include a great scarcity of apartments to rent; the deterioration of otherwise good buildings; and the determination of anyone who has a rent-controlled apartment to hold onto it at all costs (though not necessarily to live in the city). The ostensible benefit of rent control—good cheap apartments to rent—no longer exists.

Similar points could be made about the decline of New York Harbor because of the inefficient work practices insisted upon by labor unions; about the ballooning of municipal debt owing in part to the generous salary and pension settlements awarded to labor unions by Mayor John V. Lindsay and his successors; and about the growing dependency of a large welfare underclass encouraged by New York's unusually generous payments. Taken together, these different developments had by 1975 both overloaded the demand for city finance and discouraged its supply.

If Starr had halted at that point, he would have produced a perfectly serviceable and valid analysis of the city's decline from a public choice economist's viewpoint. But he rightly feels that this decline cannot be understood purely in terms of politicians responding to the demands of their constituencies. That may explain rent control or holding down fares on the subways, but how does it account for the tolerance shown by the authorities towards street violence—a tolerance expressed in low sentences, easy parole, and a ludicrously exaggerated emphasis on the requirements of "due process?" Or for the continuation of welfare policies that have been shown to encourage the formation of an underclass which supplements its income by crime? These policies are bitterly resented by most New York voters. Yet somehow or other, they keep being implemented.

Starr blames this on the moral decline of the city's elites. In an earlier age, the leading citizens had formed bodies to inculcate in the poor those religious and moral beliefs which would direct them away from crime and idleness and towards self-help, responsibility, and foresight. But in this century, such "middle-class values" have been replaced among the elite with doctrines which exempt the individual from moral responsibility for his actions. The elites adopted an outlook that might best be described as soft social liberalism. When the question was asked about anything—"Who is to blame?"—the answer was invariably, "society."

As a result, it was impossible to demand that the poor make any contribution to their own salvation. If society had caused their plight, it was up to society to lift them out of it. If social conditions like poverty were the cause of crime, then it was both futile and wicked to punish criminals who were, so to speak, merely society's agents in the matter.

The end result of such thinking is that society always picks up the tab. It cannot punish the criminal; it cannot demand that the welfare client make some contribution to his or her own economic salvation; it cannot easily resist the claims of its own workforce. Crime rates rose, and the city's bills mounted until, finally, the banks cried "enough!"

Signs of Revival

Starr's account of this macabre progess has naturally enraged those who have been its apostles. For instance, Jack Newfield argued in *The New Republic* that "the entire northeast slumbelt . . . has lost jobs and wealth to the sunbelt." This is largely myth. Employment in every northern state has grown over the last 10 to 15 years. New York State has seen it grow less than most, but a modest increase is still not a decline. Nor have the manufacturing jobs that have disappeared migrated to the sunbelt. Less than two percent of the South's jobs gain is attributable to business emigration there. No less than 98 percent of the Northeast's economic decline can be put down to the "deaths and contraction" of northern firms—and a high-tax business climate that discouraged business immigration. These are, of course, the same explanations of New York City's economic decline advanced by Starr.

But Starr is vulnerable on one point. His cheerful pessimism leads him to underrate the changes that have been made since the shock of the fiscal crisis—and to offer much too gloomy predictions about the future. He sees this largely as a continuation of past errors. Like the fat boy in Dickens, he likes to make our flesh creep. But there are a number of signs that New York is recovering its sanity. The city, along with the state, is undergoing an economic revival. Some 300,000 jobs have been added in the city since 1980 and unemployment has dropped from 9.1 percent in 1977 to 6.9 percent today. Economic forecasts suggest that this

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upturn will continue well into the 1990s.

New York will also be helped by the nationwide trend from manufacturing to services. No other city is so well placed to benefit from tourism, financial services, retail trades, and small-scale businesses in general. It is such boutiques, pasta factories, computer software companies, and novelty restaurants, moreover, to which tenants and environmentalists least object.

Crime figures, too, are down both absolutely and relatively. New York is a humble 26th on the list of America's most crime-ridden cities. Crime fell 5.1 percent in 1982, 9.5 percent in 1983, 3.5 percent in 1984, and 3.6 percent up to July of this year. And that is not all. The liberal approach to crime and punishment is slowly giving ground to greater realism. The idea of determinate sentencing, under which a convicted criminal serves his full sentence with no opportunity for parole, has the support of Governor Mario Cuomo, Mayor Edward Koch, and Manhattan District Attorney Robert Morgenthau.

Finally, under the pressure of the banks and the state authorities, the administration of Mayor Koch has restored the city's finances. It now enjoys a modest surplus. Any mayor would perhaps have been compelled to act with fiscal prudence in the cramped post-1975 conditions. But as Starr points out, the voters and the markets sensed that such realism was more congenial to Koch than to the other mayoral candidates. And it is surely significant that Koch has prospered politically by presenting a more conservative face to New York voters: he calls himself a "realistic liberal"—than candidates used to think wise.

New York, then, is enjoying a small renaissance after the long decline charted by Roger Starr. Will it last?

With the city budget back in surplus, there will of course be some temptation to revive the old spendthrift ways—although if deductibility of state and city taxes is abolished, the city will be faced with another fiscal crunch of 1975 proportions. Much will depend on who follows Koch in 1989. That will depend on whether the black and Hispanic communities are dragooned by their leaders into an alliance with Upper West Side liberals.

But what happens to the city government is not the whole story of New York. New York still dominated the world in communications, fashion, the arts, publishing, finance, banking, and commerce all through the years of decline. It will continue to do so even if Starr's pessimism proves justified and New York and its elites sink back into the liberal quicksands from which they are now struggling to escape. ☎

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policy REVIEW

Racism has existed from time immemorial. Discrimination still exists. But the most devastating form of racism is the feeling that blacks are inferior, so let's help them. What we had in Georgia under Jim Crow was not as bad as this.

Clarence Thomas
"Black America under the Reagan Administration: A Symposium of Black Conservatives."

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